CORVINUS UNIVERSITY OF BUDAPEST

THE VARIOUS CONCEPTS OF CROSS-CULTURAL MANAGEMENT
Insights from a Hungarian multinational company

DOCTORAL THESIS

Supervisors: Prof. Emeritus Dr. Miklós Dobák and Dr. Habil Henriett Primecz

Katul Yousef

Budapest, 2021
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Insights from a Hungarian multinational company
Department of Organizational Behaviour

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CORVINUS UNIVERSITY OF BUDAPEST
DOCTORAL SCHOOL OF BUSINESS AND MANAGEMENT

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I would like to thank my parents, for their adventurous in lives and their stories, since these made me relatively early quite certain on the fact that researching cultures and cultural issues are interesting and very important topics.

I owe my greatest gratitude to my sister, Kucsi, who is despite her young age one of the wisest people I know. With her colourful personality, she made the whole doctoral process an incredible experience for me, so I will always be grateful for that to her.
“Therefore, the tongue of mutual understanding is different indeed: to be one in heart is better than to be one in tongue. Without speech and without sign or scroll, hundreds of thousands of interpreters arise from the heart. The birds, all and each, their secrets of skill and knowledge and practice”.

Jalāl ad-Dīn Muhammad Balkhī
CHAPTER I.

1. INTRODUCTION

In different cultures, the same word, sentence or symbol has a different meaning; in order to have everyone on the same side, conveying their message in the right way is crucial. Communication on every level has to be carefully considered. Not only is top-down communication vital but the bottom-up and horizontal communication is also relevant (Schein, 2010). Contact between colleagues over great distances, and the ideas or fears coming from the lower level of the company, are an important part of understanding. Top-down communication feedback and comprehension has to be studied as well, in order to interpret of the initial message (Cader, 2017; Shah and Barker, 2017). Working as a team is for the common success of the company, but employees’ have their own goals or objectives to accomplish (Argote, 2015). Understanding of such local concepts defines the future of a partnership. Studying such business relationships, and focusing on the cross-cultural management (CCM) issues that arise from daily communication between distance subsidiaries and the headquarters is a unique challenge. Communication, language and attitude all refer to the power and willingness of individuals. In the current research, cross-cultural challenges have been studied in a Hungarian multinational company between the headquarters and subsidiaries; more precisely, the challenges of the company bring new aspects into the already existing complex phenomena of CCM, widen horizons and gives a better understanding of CCM related challenges.

In order to study cross-cultural challenges through real, daily occurring examples, and to have a better understanding of the reasons, I chose a Hungarian multinational enterprise to manage my research in. This certain company is operating in the oil and gas industry, therefore I started my research with an overview of the industry. Oil and gas industry members have strong and robust business relationships that have been already built, and have been working efficiently for decades. It is challenging to get into the industry and create a business relationship with existing members. For countries that have entered the industry belatedly, competition is even harder. For this reason, they have to find regions
that might be rich in raw materials which, while being tremendous opportunities also creates unique challenges that they must face. Cultural and political understanding is especially crucial in politically or economically high-risk areas. Customized CCM is needed in order to address the needs of business partners that appear in a certain time in a certain business context. To create more successful business relationships, the parties have to be more flexible.

1.1. Relevance of the research

Multinational enterprises play an increasingly important role in the world economy. Many of them have higher annual turnover than the GDP of a small country. In a world where companies have such influence and give jobs to thousands of people, they have to be managed in the best possible way since they are not only affecting the company members’ lives, but also certain countries’ societies. Therefore, paying attention to multinational enterprises and their actions is crucial, as the human factor is especially important. Among the company’s resources – physical, human, financial and intellectual – the human resource is the most important from an organizational cultural point of view. Every large or medium sized company is operating in different countries by building a community from people with different backgrounds and cultures. The will of adaptation, openness and innovation is based on these factors (Lander, 2017). Multinational companies shape society, therefore the way they appear in a country and the messages they convey through their operation and brand might have an influence that changes individuals’ mindsets and also smoothens business relationships.

Multinational business success can be built on effective communication and the right management styles to handle different cultures. Building up an organizational culture is important to survive in any kind of market. In this work, I focused on only one company and worked to understand their interpretation of CCM. It is hard to create standards, and most of the time useless, since every company has its own culture. The current research is exploratory and therefore we be qualitative in nature. My goal was to see and understand one company’s organization culture and its cross-cultural challenges. I do not aim to create standards, or to do a cause and effect exploration, in general. My current
research was about having a better understanding of the chosen company’s Hungarian headquarters and its subsidiaries’ relations with said headquarters, and their challenges. Although this research is unique to this case, it might serve as insight into other cases in similar situations.

Cross-cultural communication plays an important role in business success. There is a cultural gap between the chosen company’s headquarters and the subsidiaries’ host countries. Besides diplomatic ties, there are no other relationships between Hungary and these particular Asian or African countries. The Hungarian company operates in several continents but does not have a long business history there so far. It gives Hungary a unique position among members of oil industry. This uniqueness has unusual advantages and drawbacks. Creating their own reputation is an advantage, but on the other hand, the industry is closed and hard to get into the countries where the resources are. Building up a good relationship with the subsidiary host counties, and managing business relationship in these countries is crucial in order to stay in the industry. Studying this unique process and position from a CCM perspective adds a new colour to the already wide-range management challenges.

1.2. Structure of the dissertation

My dissertation is paper based. The doctoral research I managed has been divided into subsections, and the outcome of each subsection has been published in a paper. Three research papers have been written regarding my research and the collection of these papers gives the main part of my dissertation. I found it insightful to carefully put them in order, and to give an appropriate overview of each in the beginning; I end my dissertation with a summary and conclusion of the whole research process. The reason for my choice is the fact that I summarize my understanding in each part of my research. In order to reflect on myself as a researcher, and make sure of my correct understanding, it was useful to divide the research process. During the process it became clear that each part of the research has its own subtopic that required my full attention. I have clarified these subtopics and subsections and published them in different journals. In my dissertation, these papers had been selected and reorganized to create synergy, thus conveying the understanding of my whole research.
I have divided my dissertation into three chapters in order to have a clear summary of the process (Figure 1). The first chapter gives a detailed overview of the focus, goal and process of the research. This is followed by the philosophical background, in order to have a better understanding of the results. This philosophical clarification was needed in order to give the reader a better understanding of my point of view, so as to clarify the way in which the results were analysed and the outcomes were understood. The next subsection is the literature review; in this part I collected all the important models and theories I used regarding CCM. The theoretical ground and summary of the articles and the books I am building my research on are analysed here. The second chapter consists of three papers, each of them highlighting a crucial part of the research. The papers have been selected and put in order to represent the research I have worked on during my doctoral studies. The first paper is a systematic literature review here I have critically engaged with the already existing literature about CCM and add this to the summary of the relevant literature. The second and third paper are empirical, as I have summarized my understanding of the analysis of the content, and the semi-structured interviews I held in the chosen organization. The third and last chapter of the doctoral dissertation is the conclusion, and my understanding of the research results all together.

1. Figure Structure of the dissertation
2. RESEARCH OVERVIEW

I defined the research goals based on Maxwell’s (2005) proposal into the following three categories: (1) intellectual research goals; (2) practical goals; and (3) personal goals. Each of the goals had been clarified (Table 1) and carried throughout the whole research process. The goals may overlap each other since the three point of views have several intersection points. For instance, personal goals gave grounding to the research, and my own motivations and beliefs had an impact on the research as well (Mahadevan, 2011). These have basic influential potential regarding the validity and interpretation of the work, especially in qualitative methodology and exploratory research such as my own.
1. Table Research goals

<table>
<thead>
<tr>
<th><strong>Intellectual goals</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>To discover the meaning of CCM through an individual’s understanding, based on situations and difficulties experienced by being a member of a multinational organization;</td>
</tr>
<tr>
<td>To have a better overview of the relationships between their individual attitudes and their organisational position;</td>
</tr>
<tr>
<td>To understand the process of how individual attitudes may effect CCM strategy within a company, and how this can either be a barrier or contributor towards reaching commonly shared goals;</td>
</tr>
<tr>
<td>To find the reasons that create borders between individuals with different cultural backgrounds;</td>
</tr>
<tr>
<td>To explore cross-cultural challenges (in a Hungarian organization) and understand the reasons underneath them;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Practical goals</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>To support the organisation in having a better understanding of CMM related issues;</td>
</tr>
<tr>
<td>To help the organization at interpreting cross-cultural challenges and addressing them with tailor-made and practical solutions;</td>
</tr>
<tr>
<td>To experiment, obtain experiences, and to learn from them;</td>
</tr>
<tr>
<td>To discover different viewpoints and solutions for any or all CCM related questions; thus, to develop their organisational environment and culture;</td>
</tr>
<tr>
<td>To contribute to the development of a more understanding, open and positive atmosphere within multinational organizations;</td>
</tr>
<tr>
<td>To support the development of a more culturally aware communication skill;</td>
</tr>
<tr>
<td>To establish practical knowledge, and thus to ensure better understanding of CCM interpretation at individual and organisational level;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Personal goals</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>To understand individual attitudes, and through these find the crucial points in the process;</td>
</tr>
<tr>
<td>To have a better overview and present my results in a more complex and well-rounded way in my own PhD dissertation.</td>
</tr>
<tr>
<td>To understand my own situation better though the research, since I am a foreigner in Hungary;</td>
</tr>
<tr>
<td>Not to mirror my own position, but to include my own understanding regarding cross-cultural challenges;</td>
</tr>
</tbody>
</table>

Source: based on Maxwell (2005; 2013) revised by the author
2. Table Research model

**Research focus:** CCM related challenges through Hun-Comp's example focusing on relationship between the Hungarian headquarters and Middle–Eastern subsidiaries.

<table>
<thead>
<tr>
<th>Research problem:</th>
<th>Research question:</th>
<th>Research purpose:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solutions and best practices regarding CCM are hard to copy. Tailor-made CCM, efficient communication and management style are essential. Within Europe West and East European countries face different challenges and the solutions should be different too in order to address the special needs. For instance Hun-Comp as a Central-East European company has its own local needs and difficulties can not be compared to the West European countries.</td>
<td>The current research is exploratory, it is about to uncover the cultural differences and cross-cultural challenges of Hun-Comp's headquarter and its subsidiaries. Through Hun-Comp and its organization culture I would like to see how they build up their own organization culture, and within that what kind of challenges they face and how they manage to overcome these difficulties.</td>
<td>The overall goal is to have a better understanding of the process how Hun-Comp headquarter members analyse challenges and find solutions. First and foremost the important goal is to understand the context of certain difficulties regarding CCM.</td>
</tr>
</tbody>
</table>
The main question: How does Hun-Comp manage their cross-cultural challenges?

(In order to keep the chosen Hungarian multinational company’s anonymity, meet the necessary requirements and help the reader in the better understanding of my results I chose Hun-Comp as a pseudonym).

This question is further divided into sub questions:

- How do the members of Hun-Comp see the challenges which come from being a multinational company?
- How does the Hungarian Hun-Comp headquarters members define cultural differences between Headquarters and the subsidiaries, compared to the subsidiary Hun-Comp members?
- How different is the context in Hun-Comp compared to other Western multinational companies - according to the company members’ belief?
3. Table Link between research questions and the papers

<table>
<thead>
<tr>
<th>How does Hun-Comp manage their cross-cultural challenges?</th>
</tr>
</thead>
<tbody>
<tr>
<td>As a first step, a literature review was needed in order to have a better understanding of the cross-cultural phenomena, and to have an overview of the meaning behind it. CCM grew from business practice into academia, touching several sciences, for instance psychology, anthropology and management science. After studying the books regarding CCM it seemed crucial to focus on current research and top journal papers to have a better understanding of the current usage and the meaning of CCM. Systematic literature review made it possible to categorize and analyse the theories from different sources parallely. According to these journals, the current understanding of CCM includes four main categories in social sciences: (1) psychology, (2) anthropology, (3) international business and (4) strategic management. These four major pillars are identified as the main pillars of CCM. Further research was heavily based on these understanding.</td>
</tr>
</tbody>
</table>

In order to have an overview of the official organizational culture at the chosen company, studying the website and all the published documents was needed. Content analysis as a methodology made it possible to see the company’s main message that they convey through their communication outside the company. (4) Strategic management and the official organization culture was mapped out through the analyses of all published communication. Their local knowledge, and the role of leaders, were the most fundamental factors. This initial research supported further qualitative research made within the company. Understanding how the company positions itself within the industry, and how it differentiates itself from other industry members, helped in creating an overview, and made further research easier. |
<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do the members of Hun-Comp see the challenges which come from being a multinational company?</td>
<td>Qualitative research made it possible to understand the organizational culture and its deep structure. Through the semi-structured interviews with the company members and the data analysed with grounded theory, the beliefs and attitudes of the members became clearer, and the atmosphere of the company was more visible. This part of the research can be linked to the literature review by (1) psychology, (2) anthropology and (3) international business pillars.</td>
</tr>
<tr>
<td>How does the Hungarian Hun-Comp headquarters members define cultural differences between Headquarters and the subsidiaries, compared to the subsidiary Hun-Comp members?</td>
<td>In 2013 the most important step towards becoming a multinational company had been made. The first and most important barrier of this project was the language. To address this challenge, in 2013 the company started a project that aimed to implement a language change: instead of Hungarian, English became lingua franca. Initially the goal was to make the everyday working life easier and support knowledge sharing, but seemed more challenging at the individual and company levels. It brought change in power and position, and required higher level English knowledge. In the short term it puts more responsibility on the employees’ and managers’ shoulders. After 6 years of the project the company still struggles to use English as a lingua franca. Studying the challenges that came with this major change highlighted the challenges of being a multinational company. The implementation of this project raised many sensitive questions directly linked to CCM, for instance cultural awareness, intercultural communication and language management.</td>
</tr>
<tr>
<td>How different is the context in Hun-Comp compared to other Western multinational companies - according to the company members’ belief?</td>
<td></td>
</tr>
</tbody>
</table>
3. PHILOSOPHICAL STANDPOINT

In this section a brief explanation is given about the research philology, the worldview I have, and the way I see organization and society. My research goal was to see which challenges the Hun-Comp members are facing regarding multiculturalism, and through this process, have a better overview of the company’s CCM. To find these reasons and factors, I chose to manage my research with qualitative methodology. The research also requires studying and making the analyses without any hypotheses defined ahead of time. Qualitative methodology can be managed successfully if the focus is on understanding, more than putting every detail in the right “box” (Denzin and Lincoln, 2011). Among the wide range of the qualitative data collection methods, face-to-face semi-structured interviews were made in order to see the interpretations of the interviewees, and to uncover the deep-seated structure of the organizational culture. Through the interviewees’ interpretations, organizational culture can be revealed (Cassell and Symon, 1994). I give an overview to the Burrell-Morgan matrix, and embed my own research within it. In the matrix the main groups are highlighted, but there are other schools of thought located within the paradigms (Hidegh, 2015). However, the Burrell-Morgan matrix gives a frame and “to be located in a particular paradigm is to view the world in a particular way” (Burrell and Morgan, 1975. p.27). It helps to convey the result of the research with emphasising the view of the social world. On one hand it encourages the researchers to have self-reflection (Gelei, 2002; Mahadevan, 2011), so through the research process the role of the researcher stay clear. On the other hand, it helps the reader in a better understanding.
3.1. Burrell-Morgan Matrix

Burrell-Morgan (1979) matrix is a widely accepted taxonomy of organizational paradigms. It differentiates paradigms in two dimensions. The horizontal axis of the matrix represents the dimension of science philosophy, which classifies organization theories on the basis of assumptions about the subjective or objective nature of organizational reality. This includes: ontology, epistemology, human nature and methodology. The vertical axis represents the dimension of social theory. This dimension differentiates the sociology of radical change versus the sociology of regulation. The Burrell and Morgan matrix - to study social and organisational phenomenon - distinguishes four different paradigms: functionalist, interpretative, radical structuralist and radical humanist. Each of the paradigms identifies a different social-scientific reality, which are separate from each other. The four paradigms define four views of society, that are mutually exclusive. Inter-paradigmatic ‘journeys’ are rare (Burrell and Morgan, 1979, p.27). The paradigms are based on at least one opposing meta-theoretical assumption; by accepting one assumption, the others are defied. In order to classify my own research, I go through the dimensions explaining my statements and justifying my decision.

3.1.1. Subjective-objective dimension

Ontology

Ontologically analysing my own research, a realist perspective is dominant. Despite the nominalism, realism postulates the real world made up of hard, tangible and relatively immutable structures. Even without names and labels it still exists; furthermore, we might not even be aware of the existence of some structures but it does not mean they do not exist or matter. Not putting a label on it, or not being able to precisely name something, does not mean it does not exist. The social world exists independently of the individual. In my research, I study CCM challenges, and these challenges were difficult to identify or name, but they were there, and the organization was dealing with them. After my
research, I was able to identify them as cross-cultural related challenges, but even before my research, they existed already. From a nominalism perspective, the social world is external to individuals and made up of names and labels, in order to structure reality. Analysing my research from this perspective, if the challenges regarding CCM could not be named or defined then they are not part of reality. The challenges in Hun-Comp did exist, and were concrete even before identifying or putting them in a group of CCM related challenges.

Epistemology

Epistemology seeks to explain and predict what happens in the social world. Analysing this dimension, positivist epistemology is predominate in my research. A positivist approach searches for regularities and casual relationships between its constituent elements. Also, it accepts that new knowledge has to be added to the existing stock and the false knowledge has to be eliminated. There is a continuously growing process, but it does not deny the existence of knowledge. Furthermore, with time, this knowledge is polished and extended. In my research, I studied CCM, and within this I have highlighted the fact that Central-East European countries have not been well-researched regarding this topic. The debate is active and the knowledge of CCM is broad already but still there are parts that have not been researched so far. Hun-Comp, as a Hungarian company, has unique cross-cultural challenges, and analysing this company adds new knowledge to the existing literature of CCM. The epistemology of anti-positivism is set against the utility of a search for laws or underlying regularities in social affairs. The essentiality of this approach is lying in the relativistic worldview. It stresses that every event can be understood only for the participants. It rejects the standpoint of the observer. As a researcher, I was an observer; I conduct interviews, but I was also the one analysing the transcripts, looking for the information that I needed to fill my knowledge gaps. I have also tried to understand the terms used by the interviewees, and furthermore, I tried to see the relationships between the company members, and their attitudes toward each other.
Human nature

In order to define the nature of the relationships between an individual and society, the human nature dimension has to be studied. The human nature debate revolves around the issue of what model is reflected in a given social-scientific theory. In the current research, I identify with the determinist model. This viewpoint stresses that the individual is determined by the circumstances and the environment they are located in. In my research, I had criteria regarding which company to choose where I could conduct my research. In this step, and every step thereafter, was determined by the company. I had to conduct interviews with every person at Hun-Comp whose job involved an international project, or worked with one of the company’s subsidiaries, or was in daily contact with a subsidiary. Participating in the research was not mandatory; the interviewees had free will to join in or not. As a researcher, I could not have asked them, not even have asked the company to give me interviewees in order to have more information. My situation as a researcher was quite restricted. The other extreme at this dimension is the voluntarist view. This pole of the dimension says the individual is autonomous and free-willed. My role as a researcher put me in a difficult situation; I had to find the answers to my questions, and address my initial research questions, but I also had to find this information in a limited time, and I had access to the company, but only for a limited time and in certain places.

Methodology

The methodology dimension was the most difficult to study and embed in my research. The nomothetic approach highlights the importance of protocol and technique in any social research. I have planned my own research ahead and tried to manage every step within the time I have dedicated to it. However, I did not have any hypostasis since my research was exploratory, and my goal was to have better understanding of Hun-Comp’s CCM challenges. I chose to do qualitative research, as I found this as the best way to understand the challenges. I have started my research with a content analyse of the documents; this method has strict and standard rules. Later on, I conducted semi-structured interviews. I coded the transcripts with a grounded-theory coding system. In this way, I was able to follow a step-by-step system, and make all the research processes
more transparent. Because of these reasons, I find my research closer to a nomothetic approach rather than an ideographic approach. Since the research was explanatory, the goal was to obtain first-hand knowledge. The ideographic approach emphasises that one can generate insights by ‘getting inside’ (Burrell and Morgan, 1975. p.6) certain situations. Therefore, the outcome can only be subjective. According to these, it has some link to the ideographic approach. However, I found my research closer to the nomothetic approach, since I have managed the research with standardized research instruments. Even as I have used a quantitative mythology, I standardized it within the timeframe, initial questions, the transcripts and documents.

Analysing nature or social science, these four sets of assumptions prove a useful tool to analyse social theory. Looking at my own research, and myself as a researcher, I found it crucial to go through the four dimensions and categorize my research in them. Treating the social world as if it was the natural world, adding a realist approach to ontology, with positivist epistemology, seeing human nature as with deterministic view, and using nomothetic methodology. These are objectivist approaches to social science, and are described as ‘sociological positivist’. The positivist approach is based on objective truth and strict facts, and it does not include values, ethics and feelings (Primecz, 1999). Accordingly, sociological positivist culture has structure, it is built up and maintained by the leading powers of society. Furthermore, society is a given; it has its rules regardless of the individual. However, social science is seen with a critical view, therefore the structure of society can be seen through a critical lens. In the following, I give more details about the critical angle of my research.
3.1.2. Radical change versus the sociology of regulation dimension

Dahrendorf’s analysis differs two main theories: order and conflict. The order view of society emphasises stability, integration, functional coordination and consensus. The conflict view of society emphasises change, conflict, disintegration and coercion (Burrell and Morgan, 1979, p.13). Burrell and Morgan replace these two theories’ names: order was replaced by sociology or regulation, and conflict was replaced by sociology or radical change. On one hand, the sociology of regulation emphasises the need of regulation in human affairs. Society is an entity and it tends to hold together and be strengthened by the rules. On the other hand, the sociology of radical change focuses on deep-seated structural conflict; the characteristics of modern society are mainly the modes of domination and structural contradiction. My own research is closer to the sociology of radical change; I will now give a detailed explanation and justify my statement based on the seven dimensions of the two theories (Burrell and Morgan, 1979. p.18):

1. Radical change rather than status quo: At Hun-Comp, in order to make daily business communication easier, changing Hungarian to English as a lingua franca seemed reasonable. CCM challenges were raised with this shifting process, since it addressed a need that accrued with hiring expats to the company’s headquarters, but also made the local workers’ daily business lives more difficult in the Budapest based headquarters.

2. Structural conflict rather than social order: Analysing Hun-Comp and focusing on the English as lingua franca within the company as a CCM challenge highlights the structural conflicts. Hungarian as an official organizational language was maintained in the headquarters despite the fact there were many expats working without fluent Hungarian language knowledge. Therefore, English became the official language and with this change deep-seated structural conflict came to surface.

3. Modes of domination rather than consensus: There was a need for English even before 2013, but there were more preferred values that meant a barrier to the changing process. The Hungarian language was preferred and maintained in the headquarters in order to keep the power-structure, and thus the status quo.
4. Contradiction rather than social integration and cohesion: At Hun-Comp, the members with a lack of English knowledge working at the headquarters were put in a difficult situation. The language changing process was needed for efficient communication, but made the local employees’ daily jobs more challenging. They needed more time to manage the same tasks, or made them remain silent when they could not express themselves fluently in a meeting.

5. Emancipation rather than solidarity: Giving the same rights and opportunities to every member made it crucial to shift to English. In the long run, this process is seen as an emancipation for the whole company; internally but in the short term, it divides the company into two groups: English speaking and non-English speaking.

6. Deprivation rather than need satisfaction: The necessary support to the language changing process accrued after the implementation. Not giving a chance to the members to speak up and see their difficulties, and communicating the language change project top-down, made it challenging for individuals to accept. English as a lingua franca within Hun-Comp was serves as a strategic goal, but lacks the platforms that can support employees in raising their voices.

7. Potentiality rather than actuality: The language change serves a long term strategy. English as a lingua franca makes communication easier and support the employees in mobility. However, the project currently struggles because of the barriers that differences in language knowledge creates.
3.1.3. The four paradigms

Analysing my own research through the four paradigms of the matrix shows that my research has some links to all the paradigms but in its foundation, it meets the worldview of the radical structuralist’s. The functionalist paradigm, similarly to the interpretive, is defined by the sociology of regulation, cultures viewed as homogeneous and clearly separate from one another, and as stable. The difference between the functionalist and interpretative paradigms is the way they see reality. The Interpretative paradigm sees the world as an interpretation of individuals, with reality as a matter of social interaction and the interpretation of these. Functionalists see reality as separate from the individual; the world exists whether the individual sees it or not. In contrast, the sociology of change defines both radical paradigms: radical humanist and radical structuralist. The radical humanist, similarly to the interpretative paradigm, adopts subjectivist philosophy. The world is the interpretation of the individual. However, despite the interpretative paradigm, the radical humanist paradigm claims that there are powerful members of society, and their interest is to maintain the world as it is, even if it is not the interest of the majority. Therefore, change is required but with the involvement of everyone in order to fulfil the needs of the majority. Radical structuralists, on the other hand, focus on power structures and the effect of these on the whole society. Based on this paradigm, power structures are unfair and have to be changed in order to build up a fairer society that addresses the needs of the majority.

In my research, I studied one company and their cross-cultural challenges; these CCM issues were there before my research. Not identifying or labelling them did not mean the non-existence of them. The interviewees mentioning the official organizational language and all the difficulties it made within the company was not an interpretation of the individual. Therefore, it excludes the interpretative paradigm. However, on a group level it might have interpretations that can be different than the overall, company level ones, but in my research, I had the chance to analyse the company with a limited amount of time and interviewees. The focus of my research was the CCM challenges, and the new organizational language brought out most of these. It occurs as a company level problem, and made work difficult for many company members; it also seems to have an effect on the power-balance within Hun-Comp. During the interviews, it became clear that English
as a lingua franca made changes in the structure of the company. The individual needs in that certain situation were challenging to understand; the language issues can be directly linked to the radical humanist paradigm, since the critiques were mentioned on the individual level.

Analysing the research process and my own role as a researcher, I fit myself and the research into a radical structuralist paradigm. The research can be analysed with the other paradigms, since there are links to those, but the current research expresses an objectivist worldview and adopt the sociology radical change theory. Studying both dimensions and the four paradigms of the Burrell-Morgan matrix, I came to the conclusion that my own research has most of the specialities of the radical structuralism paradigm. The four paradigms can be seen through a critical lens, but the radical change dimension and the two paradigms on this dimension can be considered as critical management worldviews (Primecz, 2018). Research done regarding CCM can be extended by raising paradigmatic awareness. Since cultures are complex and hard to understand, and studies regarding cultures have results that are already manipulated by power asymmetry, and are therefore not representative.

3.2. Critical management studies

According to Primecz et al. (2018) the Burrell-Morgan matrix and its different categories serve as a theoretical framework of organisation theory research. All intercultural studies would be conceivable in and can be interpreted in almost any paradigm (Primecz, 2008; Primecz, Romani, and Topçu, 2015). Critical studies focus on the status quo and how it reproduces itself by influencing management. Critical researchers do not only study and absorb an organization but try to understand the structure and the inequality of it (Jack and Westwood, 2009). Culture is seen as a narrative and discursive construction, with focus on dominating and resistance (Dörrenbacher and Gammelgaard, 2019). Romani et al. (2018) highlight that critical studies includes context and a power-sensitive approach. It considers the fact that organizations favour some type of knowledge over others and supports the flow of only that kind of information between he headquarters and the subsidiaries, or only this information was managed top-down within the organization.
Romani, Mahadevan and Primecz (2018) focus on the critical turn in CCM, highlighting the distinctive features of critical CCM, such as the research agenda, denaturalization, reflexivity and emancipation. Bringing this critical aspect to mainstream CCM gives a fairer treatment by considering the status quo and power-balance in a certain context (Dörrenbacher and Gammelgaard, 2019). Since it is coming from post-colonial cultural studies, it focuses on the cultural effects that colonialism made (Primecz, 2018). These effects changed and structure of certain cultures, raised new questions and gave new meaning to identity, attitude and in an organizational context, diversity. Critical management studies analyse the power structure, the imbalance and the hidden reasons for it. Instead of only highlighting the current elements of a certain culture, the main goal is to manage a deep analysis (Jack and Westwood, 2009). In my own research at Hun-Comp regarding their CCM challenges, the power-balance and the status quo being strengthened by the official language was a marginal issue. My goal was not to study the CCM at Hun-Comp, but to understand the hidden reasons and identify the crucial factors that have maintained the organizational culture so far, and what causes a barrier for them to successfully implement the new organizational language. Focusing on the language changing process, I considered the fact that Hun-Comp is a Hungarian company, therefore their challenges regarding language policies are different than a multinational company with English as the headquarters language (Jack and Westwood, 2009; Barmeyer and Davione, 2011).

Romani, Mahadevan and Primecz (2018) highlight that the radical structuralist would focus on how power structures influence management. “Culture as a place of tensions and struggles between different cultural groups in a relationship of unequal power” (2018 p. 407). The power-imbalance is manifested in discursive construction. On the objectivist side, the other paradigm, the functionalist, the researcher can measure and analyse a culture, and can collect information about it. Therefore, it is also comparable with other data from another culture; this information, and the outcomes, can be manipulated too. The radical structuralist goes beyond this. The researcher is not a bystander, but acts as an activist by highlighting the inequality and the unfair power structure. Cross-cultural research within organizations – such as my own research – can be objectively done, and several cultures can be studied at the same time. These can be compared to each other and conclusions can be made. These conclusions can be generalized and used as an overview to a certain culture, or can extend CCM literature and knowledge. However, besides these,
the goal of the research was to see the power-imbalance within the organization. The goal was to understand the dominant power and the favoured knowledge, in order to have an overview of the power positions. My goal was to uncover the hidden reasons of a certain behaviour or attitude in the chosen organization, and not only to generate standard, comparable and generalizable results.

In my own research the focus was on the English as lingua franca within Hun-Comp, a Hungarian multinational company. The official language changing process was communicated top-down, and required a change in the language of all kinds of communication within the company. This made structural changes within Hun-Comp. The challenges raised with this implementation are complex. Initially, the power within the organization was based on the positions of the members, the headquarter members were mostly leading the company and projects, while subsidiary employees were responsible for exploration and production. The official language change project changed this power structure. The shifting process had many obstacles in the headquarters, since the language knowledge became a priority. It caused extra effort and work for the members in the headquarters, and more fluent speakers of English had more chances than less fluent speakers. The organization divided up to two groups: the English speaking and the non-English speaking. In my own research, through the semi-structured interviews, the goal was to uncover the deep-structure and have a better understanding of the main reasons of CCM related challenges. A radical change paradigm as a critical management approach gives the philosophical background to my research, and indirectly gives a better understanding to the research results. Discussing this worldview here clarifies my understanding of the nature of social science.
4. PREPARATION OF THE EMPIRICAL RESEARCH

4.1. Choice of organization

In order to find the deep structure of CCM phenomenon, it is crucial to understand its local interpretation. I planned for exploratory research, to have a better understanding of this particular organizational culture, and to uncover the deep structure of CCM through individual explanations. An important part of the research was to study the organizational culture, its values, management and working style, but first and foremost, their attitude toward the cross-cultural challenges and their resolutions. The location of the headquarters determines the overall communication style of a certain company. A company’s values have to be communicated; the crucial point is to convey a message that not only expresses commonly shared goals, but supports long term, sustainable growth in the company. In my research, local specialities had to be considered in order to understand the organizational culture. My goal was to choose a non-Western, preferably Hungarian company that operates over a long distance, and has a subsidiary on another continent; thus, CCM has an important role in their daily business life. These factors were crucial to be able to study a company that has their own unique challenges and needs tailor-made solutions to address those.

CCM is a phenomenon that escapes easy definitions, and related studies are strongly based on the context, with meanings understandable in that certain place and time (Denzin and Lincoln, 2011, p. 188). To show the theories through a practical example, a Hungarian multinational company was chosen. In order to anonymize the company, a pseudonym has been chosen: Hun-Comp. Hun-Comp is considered one of the biggest multinational companies in the region. Through this company’s headquarters, located in Budapest, Hungary, and its subsidiaries, cross-cultural challenges have been analysed. This firm includes all the criteria that is important from the point of my research:

- the location is Hungary: a Central-East European company
- from its size and countries of operation, it is considered a multinational enterprise
- for more than a decade it has been operating in several countries (subsidiaries in Asia)
In the case of exploratory research, it was important to find a company where I can manage my research and this company has most of the important factors regarding my research plan.

Before the empirical research explanation, it find it relevant to have a subsection on the chosen company and the industry it is operating in. This short section gives information that is an important part of understanding the issues involved (Means, et. al., 2015). Pointing out specialities, not only about the company but also regarding the oil and gas industry, gives a better overview. These factors have to be considered in order to have the right consequences. The agreements help to build a common understanding, and to have a common language. Since there are different people in an organization, their backgrounds, attitudes and mind-sets, can be different from one another; however a brand, a company name and mission can bring them together (Selmer and Lauring, 2016). Common sense-making and realization creates reality, and on this ground organizational culture is created. Hun-Comp’s company culture consists of many rules, and a strict style is conveyed in the written communication. It is more standardized and overruled but this is specific of the industry. There is a strong belief in clear processes and transparency. The regional special knowledge and experience in business is highly required (Friesl and Silberzahn, 2017).

Being a Central-Eastern European multinational company is both Hun-Comp’s uniqueness and its challenge too. The oil and gas industry has its own elite members, and it is hard to enter the industry. It is essential to see how this identity effects their business relationships and what role it plays in the organization culture. Hun-Comp, as a Hungarian company, has not benefitted from the same resources and economic system as it would have in Western European countries and due to these reasons, it needs to find another solution for its needs (Lvina, et.al., 2012). Hun-Comp takes risks and enters countries with unstable political backgrounds. This situation gives the company a special position in the industry, and this position might play a major role understanding the novel layers of CCM. Europe is often looked at as a single monoculture, and the same can be said for Asia. In practise, Europe and Asia contain several different cultures. There is no overall truth or set standards – these beliefs make stereotypes – within a region. There can be many cultures, and even within a culture there are individuals that may also have different attitudes (Fischer and Poortinga, 2012; Kaasa, et.al., 2013; Primecz et al., 2013).
Hun-Comp headquarters’ and subsidiary host countries’ cultures might be different from each other, but there are similar needs of their employees. Highlighting common values should provide a good way to understand the differences, and help them be more tolerant towards each other within the company. Hun-Comp is a Central-Eastern European multinational company, and does not follow the Western companies’ best practices. Diversity, international management and therefore a multicultural atmosphere have different meanings in the Western and Eastern parts of Europe, so it cannot be standardized; therefore, cross-cultural communication has to be built on this interpretation. Since these words give the essential foundation to the efficiency of CCM, then these are indeed the main focus points that have to be analysed and clarified before studying the organizational culture. Hun-Comp shows that there is another road that can be taken instead of the paved path. A tailor-made solution for the unique challenges they face regarding CCM.

4.2. Methodology

The methodology section is intended to summarize the comprehensive method of the research; more specified descriptions and applications are detailed in each publication separately (Figure 2). The thesis is logically composed of two parts of the research: content analysis and semi-structured interviews. Both research methods are qualitative. In order to manage the exploratory research and have a better understanding of the individuals in the organization (and through them to see the deep structure of cross-cultural challenges) undoubtedly a qualitative methodology had to be used.
2. Figure Links between the papers


5. LITERATURE REVIEW

In order to recognize and manage cultural diversity, cultural knowledge is needed. Cultures and people with a certain cultural background are behaving in predictable ways, the feelings and thoughts of the individuals are not random; it is all based on cultural heritage. Interacting with people from another culture can make one realize the uniqueness of their own cultures and the others’ too. Working together in organizations makes individuals meet people from a different culture and work together for the common goals. Therefore, understanding the other culture and having guidance in how to behave properly needs analysis. The research made so far regarding CCM is detailed in this section. These theories and models are the most well-know and widely used. Most of the theories reflect a positivist view. According to Romani, Primecz and Bell (2014) in a positivist view, values are regarded as the core element to understand a culture. This worldview stresses that all cultures deal with the same challenges and therefore only the response to these differentiate cultures from each other. Analysing these challenges and responses, every culture can be categorized and compared to one another. I have chosen six models in order to give an overview and link my own research to the existing literature.

While my dissertation worldview is closer to critical and post-colonial perspectives, these models gave the foundation to my research. In the current literature review, I give a detailed review of the following six models: Kluckhohn and Strodtbeck’s value-orientations theory, Hall’s cultural factors, Hofstede’ national cultures, Trompenaars’ cultural dimensions, Schwartz’s value survey and the GLOBE project. This section of my dissertation reviews the major frameworks that have been categorized and used to compare cultures. I have put the models in chronological order so as to highlight the changes and development of cultural studies. Starting with the first theory regarding culture in the mid-twenty century (Kluckhohn and Strodtbeck’s value-orientations theory), it goes until recent, on-going research (GLOBE project). Based on Thomas and Peterson’s (2015), Primecz, (2006) and Adler (2002), and my own study in the field of CCM, these six theories were crucial in my field of research. My first paper included in the dissertation: *Four Pillars of Cross-cultural Management, Systematic Literature*
Review (Yousef, 2020), I have analysed the history and the core meaning of CCM. I was able to give a detailed research overview and highlight my results. This section of my dissertation emphasizes the main theories in the cross-cultural field and complete my results in the paper.

5.1. Kluckhohn and Strodtbeck’s value-orientations theory

A theory of basic human values developed by Florence Kluckhohn and Fred Strodtbeck (1961), highlights the initial idea that people’s attitudes are based on a few, common values. The initial three basic assumptions:

- There is a limited number of common human problems for which all people must at all times find some solution.
- While there is variability in solutions of all the problems, it is neither limitless nor random but is definitely variable within a range of possible solutions.
- All alternatives of all solutions are present in all societies at all times but are differentially preferred. (Kluckhohn and Strodtbeck, 1951; Kluckhohn and Strodtbeck, 1952; Hills, 2002, p. 4.)

Kluckhohn and Strodtbeck’s value-orientations theory is one of the earliest efforts to develop a cross-cultural theory of values. Kluckhohn and Strodtbeck (1961) highlight the fact that every culture faces the same basic survival needs, and has to face the same universal questions. These needs give the foundation of cultural values. They suggested that societies vary in the way these dimensions are reflected in that given society’s values (Hills, 2002; Thomas and Peterson, 2015). The responses given to these questions vary among cultures and give rise to the values that certain culture prioritize.
They suggested five basic types of problem to be solved by every society:

- On what aspect of time should we primarily focus – past, present or future?
- What is the relationship between Humanity and its natural environment – mastery, submission or harmony?
- How should individuals relate with others – hierarchically (which they called "Lineal"), as equals ("Collateral"), or according to their individual merit?
- What is the prime motivation for behaviour – to express one's self ("Being"), to grow ("Being-in-becoming"), or to achieve?
- What is the nature of human nature – good, bad ("Evil") or a mixture? (Hills, 2002; Thomas and Peterson, 2015).

These five questions give the five dimension that concentrates on value-orientation. However, Kluckhohn and Strodtbeck had a sixth dimension (space), (Kluckhohn and Strodtbeck, 1951) that is added here:

- nature of people
- relationship with nature
- relationship with other people
- human activity
- time
- space

The ‘nature of people’ can be good, evil, or a mix of these. It is a scale that consists of many combinations and degrees. On the one pole, there is the good, society sees the human being as an immutable good and will always remain good. On the other pole is the immutable evil, in this case society sees the human being as born evil incapable of being changed. Society also includes people who range along differing degrees of all types. The mixed types vary among a mutable mixture, which means that humans have both good and evil, and can learn to be either better or worse. The other type of mixture is immutable which means that a human has both good and evil traits, and that cannot be changed.
The ‘relationship with nature’ can be dominant, harmonious or subjugated. A dominant (mastery) oriented society believes that they have to be in total control over nature. With intelligence and the right application of knowledge, humans can keep control over nature. A harmonious orientation society, in contrast, aims to have partial and not total control. The main goal is to be wise and live in harmony with nature. The subjugation orientation does not exercise control at all over nature; rather, they see themselves as helpless, as a subject of the higher power of all the forces.

Regarding the ‘relationship with other people’, three different views can be differentiated. According to individualism, one is independent from society, and makes decisions independently from others. The individual is the primary unit of society. The collective mindset emphasises that one is member of a group, and has a role within that group. Each group consists of equals, and decision making is based on the consensus of the members. The hierarchical (linear) mindset emphasises the importance of rules and principles regarding the structure of society. With these strict rules it aims to differentiate higher authority, create groups and make the relationship between them clear and transparent.

In the question regarding ‘human activity’, the following types can be differentiated: being, doing and becoming. In a ‘being’ oriented society, motivation is internal; results and outcomes are valued by one’s self, not by the others. In a ‘doing’ oriented society, motivation is external, and one’s behaviour and activity is measured, approved of and valued by others; human worth can be valued in the accomplishments. In ‘becoming’, the belief is that one can develop skills and grow through activities, which are valued by oneself, and are not necessarily important or valued by others. Life is seen as a process of constant change, to become human.

Regarding ‘time’, the orientation can be past, present and future. If the orientation is ‘past’, then the focus is on the time before now, maintaining traditional teachings and beliefs. Everything is evaluated by these, since history is a source of knowledge. If in a present orientation, the focus is on now, and how can old beliefs and traditions be changed in order to have a better fit for the current circumstances. With a ‘future’ orientation, the focus of society is on what will come, planning how to replace the old, and even the present. Working hard in order to have a better future. Long and short-term planning can be differentiated, especially in economic projects.
The last value-orientation concentrates on space. This dimension was added to the other five. Space can be private and public. Space is private if it is privatised by the owner; it belongs to a certain person and can be used, but only with permission. Space is public when it is open to everyone in society, it is a common good and there is no need to ask permission to use it.

5.2. Hall’s Cultural factors

Analysing and identifying the main characteristics of national culture gives a foundation for understanding national cultures through their similarities and differences. The communication between individuals with different cultural backgrounds is another field that needs to be researched in order to convey messages in the right way through the cultural differences. Anthropologist Edward T. Hall founded the scholarly field of intercultural communication (Hall, 1960; Hall, 1966; Robers, Hart, Miike, 2002). Hall, in collaboration with the linguist George L. Trager, built the paradigm based on two pillars: (1) the Whorf-Sapir theory of linguistic relativity, and (2) Freudian psychoanalytic theory (Hall, 1976, 1983).

Cultural factors

With fast and slow messages, Hall highlighted the speed of a message can be decoded or acted on, and it is a characteristic of human communication (Hall, 1983). He distinguishes high and low speeds of communication. For example, slow messages are: poetry, books, art, deep relationship, culture or even a human being. All of these produce messages that need time to understand, since the creation of them needs time too. Fast messages are television, propaganda, headlines, and manners. In order to understand these, there is no time needed, decoding them can be happened almost instantly.
Another category, high and low context, refers to the background role of a message. High context refers to societies or groups where people mostly have close connections for a long period of time. Almost none of the aspects of cultural behaviours are made explicit since most of the member know how to behave, what to say, and what to think. Japanese, Arab, Mediterranean cultures are considered high context. Low context refers to societies where people tend to have lot of connections but for specific reasons and for a fixed term of time. Rules and meanings are all explicit, since the members have a short time to learn them, and they need to know how to behave in that certain society. Low-context people are, for example, Americans, Germans, or Scandinavians.

In terms of Time, and in international business, there are two types of time system that are considered the most important: monochronic and polychronic time (Hall, 1983). Monochronic means doing and paying attention to only one thing at a time. Time is experienced and used in a linear way, and divided into segments in order to make it possible for a person to concentrate to one thing at a time. Time is seen as a road from the past to the future, things moving in order one after the other in an unalterable schedule. Monochronic time dominates business in the United States and most of Western countries in Europe, such as Germany or Switzerland. Polychronic means doing and being involved with several things at the same time. It is less tangible than monochronic time. There is more emphasis on completing one’s transaction than on holding to the already agreed schedules. A conversation is not abruptly terminated before its natural conclusion, its more committed to people and to human relationships than to a job. Mediterranean people are an example of the time-flexible polychronic society.

Space and territoriality is highly developed in human beings and influenced by culture (Hall, 1960). Personal space is a form of territory. It means an invisible mobile bubble, that consists of the person’s emotional state, relationships to people nearby, cultural background and the activity being performed. The size of this bubble changes according to culture. In Greece, Spain, and Italy this bubble is small; for Scandinavians, English people or Americans, this bubble is bigger, and more personal space are required.
5.3. Hofstede’s national cultures

In the 1960s the number of multinational companies rose and new managerial challenges accrued, therefore the managers became aware that within organizations there are many members with different cultural backgrounds. The business world changed, and not only international businesses had to be managed at a distance, but the newly global corporations made company members more mobile and changed their work locations frequently. These organizations contain members with different cultural backgrounds, who now had to work together at the same place. As the focus of the business world changed, multinational companies and the different cultures within them became more important. Although the effect of national culture is greater in comparison to organizational culture, still the culture of certain organizations has to be considered, since the members depend on one another to do the right thing (Hofstede, 1977; Hofstede, 1980). More practical questions had to be addressed; therefore, organizational cultures had to be analysed and understood through the behaviour of their members.

Geert Hofstede conducted the first, and one of the most comprehensive, studies of values, focusing how these values in the workplace are influenced by the background culture of the members. National culture is about the value differences between groups of nations (Primecz, 2019; Milassin, 2019). Hofstede analysed a large database of employee value scores collected in more than 70 countries, from which 40 countries with the largest groups of respondents have been used. The research was made within IBM between 1967 and 1973. Using primary research data from a multinational company with international subsidiaries, Hofstede identified four largely independent dimensions: Power Distance (large versus small), Uncertainty Avoidance (strong versus weak), Individualism versus Collectivism, and Masculinity versus Femininity. The relative positions of 40 countries on these four dimensions were expressed in a score on a 0-100 point scale (Hofstede and Bond, 1988).

Later on, replications by Hofstede and other researchers have extended the number of countries covered to 76 and to six dimensions. In 2010 the new edition of the book, “Cultures and Organizations: Software of the Mind”, scores on the dimensions are listed for 76 countries, partly based on replications and extensions of the IBM study, but added to with different international populations and by different scholars. The six dimensions
of national culture are based on extensive research done by Geert Hofstede, Gert Jan Hofstede, Michael Minkov and their research teams (Hofstede, Hofstede and Minkov, 2010).

Despite of the fact that Hofstede’s research is the only one including countries all over the world, there are still many critiques. The most concerning one is that the research has been done world-wide but only with IBM employees. Researchers do not agree with generalizing the results of research made in only one organization. There is a certain organizational standard, and organizational culture that might have more effect on an individual than national culture. The second critique is the number of the countries included in the research. Hofstede’s research has the largest scale so far among cross-cultural research, but still, it is hard to generalize it. Including more countries might give rise to more dimensions, and questions. Last, but not least, the fact that the results can change with time is also a critique. Many factors can overweigh the categorization of the cultures; with things such as changing generations, circumstances and level of life quality, each culture changes a little and therefore can be categorized differently. In order to address some of these critiques, Hofstede extended the research by not only including IBM members, but by including more countries and more research teams who, alongside him, can update the data and extend the research. This is the reason the four initial dimensions are extended by a fifth, and then later on a sixth one.

4 dimensions

Power distance index (PDI), this dimension expresses the imbalanced power structures of society. In this dimension the fundamental issue is the way a society handles inequality, and at which degree it is acceptable for society to have power distance. People in societies accept a certain hierarchical order that clarifies everybody’s place, and there is no need for further justification. A High power distance index seems to exist in East European, Latin, Asian and African countries. In societies with low power distance, people try to equalise the distribution of power and demand justification for inequalities of power. In high power distance societies, the members need rules and position in order to make one’s place clearer and transparent. Low power distance countries include Germanic and English-speaking Western countries (Hofstede et al., 2010).
Individualism versus collectivism (IDV): on this dimension, cultures vary between the two poles of the scale: individualistic and collectivistic. In individualistic societies, social frameworks are loosely-knit, and individuals have more freedom, but have to take care of themselves, take responsibility of themselves and their nuclear families. Individualism tends to prevail in developed and Western countries. On the other pole of the scale are the collectivistic societies. They have tightly-knit frameworks in society, in which individuals can rely on their relatives or members of a particular ingroup they have membership in, to look after them in exchange for unquestioning loyalty. Collectivism prevails in the Eastern countries (Hofstede, et al., 2010).

Masculinity versus femininity (MAS) cultures can have more masculine or feminine values. This dimension is not measured in terms of an individual characteristic; rather, it refers to a distribution of values. The masculinity side of this dimension represents a preference in society for achievement, heroism, assertiveness, and material rewards for success. Preference work over family, differentiates genders with strict rules in professional and personal life. Masculinity is high in Japan, and in German speaking countries. The opposite pole of the dimension, femininity, stands for a preference for cooperation, modesty, quality of life and carrying for the weak. The goal is to have work-life balance, taking care of weak and supporting both genders with equal rights. Despite the presence of masculine societies, femininity is consensus-oriented and not competitive. Femininity is high in Nordic countries and in the Netherlands (Hofstede, 2011).

The uncertainty avoidance index (UAI) expresses the degree to which the members of a certain society feel uncomfortable with uncertainty and ambiguity, and does not mean the same as risk avoidance. The attitude of a society with strong uncertainty avoidance index to control the future as much as it is possible. They are intolerant of unorthodox behaviour and strongly hold on to codes and rules, even if they are not obeyed, strong beliefs such as: 'there can only be one Truth and we have it' (Hofstede, 2011. p. 10). Higher uncertainty avoidance index countries tend to be Eastern and Central European countries, Latin American countries, Japan, and in German speaking countries. Cultures with a weak uncertainty avoidance index do not tend to try to control the future, and instead ‘just let it happen’. They accept each day as it comes. Their goal is to have a more relaxed attitude, in which practice counts more than principles. Low uncertainty avoidance index countries are in the English speaking world, Nordic and Chinese culture countries.
In the long term versus short term orientation (LTO), societies in one way or another have to focus on the present and future challenges but have to maintain some links with its own past. This dimension was identified in a survey where students in 23 countries around the world, using a questionnaire designed by Chinese scholars (Hofstede and Bond, 1988; Hofstede, 2011 p. 13). Every society prioritizes this differently. Societies who score low on this dimension, called a short-term orientation, prefer to maintain time-honoured traditions and norms, and see societal change with suspicion. It claims that most important event happened already in the past or happening now, in the present. Examples of short-term oriented cultures are in the United States, Australia, Latin America, African and Muslim countries. Culture which scores high on this index were initially called Confucian Work Dynamism cultures by Michael Harris Bond, and later on in the business context called long-term or pragmatic (Hofstede, 2010). This orientation takes a more pragmatic approach, especially focusing on modern education as a way to prepare for the unknown future, since the most important events will happen in the future, according to this approach. Long-term oriented cultures are in East Asian countries, followed by Eastern and Central European ones.

Indulgence versus restraint (IVR) is the sixth and newest dimension added in the book published in 2010. It uses Michael Minkov’s (a linguist and sociologist) label “indulgence versus restraint” (Hofstede, Hofstede and Mikov, 2010). Hofstede highlights that this dimension was also based on the World Values Survey items and is more or less complementary to the long-term versus short-term orientation dimension. Compare to the other dimensions, the scores on this dimension are extended, and 93 countries were included in this research. The indulgence versus restraint dimension is known from literature on “happiness research” (Hofstede, 2011 p.15). It focuses on natural human drives, and the way a society allows them or suppresses them with social norms. Indulgence stands for the societies that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun, highlighting and welcoming individual human will and freedom. Indulgence tends to prevail in South and North America, in Western Europe and in parts of Sub-Sahara Africa. Restraint stands for a
society that suppresses gratification of needs and regulates it by means of strict social norms. Societies in this pole of the scale try to create a homogenous community with no individual needs, since these are considered as strange or harmful for society as a whole. Restraint prevails in Eastern Europe, in Asia and in the Muslim world.

5.4. Trompenaars and Hampden-Turner’s Cultural Dimensions Model

Fons Trompenaars’ Cultural Dimensions Model, also known as the seven dimensions of culture, is first described in the book: “Riding the waves of culture, Understanding diversity in the global business” (1993). Forty-six thousand managers from 40 countries has been surveyed. Trompenaars and Hampden-Turner developed the model after spending ten years researching the preferences and values of people in many of cultures around the world. Their research was focused more on the cultural side than the organizational point of view. Although the goal was to have a better understanding of culture to serve the global business of companies, the survey analysed people from a national culture perspective. They found that people from different cultures are not just randomly different from one another; they differ in very specific, even predictable, ways. Each culture has its own way of thinking, its own values and beliefs, and the different preferences placed on a variety of different factors, similarly to Kluckhohn and Strodtbeck’s value-orientations theory and Hofstede’s national cultures. Trompenaars and Hampden-Turner concluded there are seven dimensions, and what distinguishes people from one culture compared with another is where these preferences fall on one of the dimensions (Trompenaars and Hampden-Turner, 1997).
The Seven Dimensions of Culture Model

Universalism versus particularism: In this dimension the main question is, what matters more, rules or relationships. Cultures based on universalism lives by the rules, they try to treat all cases as the same, even if it involves friends or family members. Rules are a priority over relationships. It is generally accepted that people with the same skills and the same situation receive the same salary and the same opportunities, regardless of their origins and backgrounds. Examples of universalist cultures are Canada, the United States, the United Kingdom, Australia, the Netherlands and Scandinavian countries. On the opposite pole of the scale are the cultures based on particularism. They find relationships more important than rules. Breaking certain rules for friends or relatives is allowed. Personal relationships and obligations play an important role in ethical decisions. Each case has to be examined within its circumstances; even salary has to be linked to reputation and origin. Particularism based cultures are such places as Latin America, Korea, China, and Russia.

Individualism versus Communitarianism: In this dimension the focus is on the preference for an individual’s interest or the group interest. Cultures can focus on individual success or prioritize group goals and success. Individualistic cultures believe that one’s outcomes in life are the result of their choices. Every member is measured by their individual performance, even if they are part of a group. In these cultures, individuals can make decisions without needing to consult with the group; therefore, decision making happens relatively quickly. It is the individual’s responsibility to look after their own happiness and fulfilment. Individualistic cultures include Canada, the United States, the United Kingdom, Australia, the Netherlands and Scandinavian countries. Cultures based on communitarianism believe that quality of life is better when everyone helps the other. Thus, these cultures organize themselves around groups, and loyalty within the group is crucial. As a result of this group tendency, decision making is slower as everyone gives input. In organizations, job turnover is lower due to high group loyalty. The groups are measured and get rewarded for high performance, not the individual. Collectivist cultures include most Latin American countries.
Specific versus diffuse: This dimension measures how separate one’s personal life is from one’s professional life. In this kind of culture, people tend to keep their personal and work life separate from each other. Individuals have a large public space, which they share with other people, and they also have a small private space which they share only with close associates. These cultures do not see overlap between the two, they tend to be schedule focussed, direct and right to the point in their communications. The focus is more on the goal than on the relationship. Examples of such cultures: Germany, the United States, the United kingdom, the Netherlands and Scandinavian countries. In a diffusive culture, people tend to see their personal and work life as interconnected. These cultures believe that objectives can be better achieved when relationships are strong; as such work colleagues socialize with each other outside of work more. Diffusive cultures are courteous and respect age, status, and background. Examples of diffusive cultures include China, India, Indonesia, Argentina, and Spain.

Neutral versus affective: This dimension reflects whether emotions are openly shown or hidden. In neutral cultures, people tend not to share their emotions. Emotions are felt but they are kept in check and controlled. Member of these cultures are considered cool and rational. Neutral cultures include Germany, Netherlands, the United Kingdom and Japan. In the affective cultures, people tend to share their emotions, and they have an important role in the workplace too. People often laugh, talk loudly and greet each other enthusiastically in public. In an affective culture, it is considered normal that people share their emotions. Examples of affective cultures include Italy, Spain, France, Latin America and the United States.

Achievement versus ascription: This dimension refers to whether status is given or one has to prove oneself to get it. In an achievement culture, you earn status through knowledge or skill. Job titles are earned, and it reflects this knowledge and skill. Anyone can challenge a decision if they have a logical argument. Examples of achievement cultures include the United States, the United Kingdom, Germany, and Scandinavian countries. The other pole of this dimension is the ascription cultures. In these cultures, status is given based on who the person, which itself is based on social status, education,
or age. Respect is earned in these cultures because of commitment to the organization, not necessarily because of abilities. Any decision regarding positions are can only be challenged by someone with higher authority. Examples of ascription cultures include Japan, Italy, and France.

Sequential time versus synchronous time: This dimension can be called the time-orientation dimension, since it can be summarized by asking, do things get done one at a time or do many things get done at once? In a sequential time culture, time is crucial. People within these cultures like projects to be completed in stages. From their perspective it is unquestionable that time is money, so it is important that each stage is finished on time properly. Examples of sequential time cultures: the United States, the United Kingdom and Germany. In a synchronous time culture, people see the past, present, and future as interwoven. In such cultures people do several things at once; therefore time is interchangeable, plans and deadlines are flexible, punctuality is less important. Examples of synchronous time cultures: India and Mexico.

Internal direction versus external direction: This dimension focus on control over the environment, and deals with the question: Do human beings control the environment, or are they controlled by it? In internal direction cultures, people believe that they can control their environment to achieve their goals. Winning is important in these cultures. Examples of internal direction cultures include the United States, the United Kingdom, the Netherlands and Norway. In external direction cultures, people believe that they must work with their environment to achieve their goals. They believe that there are forces that cannot be controlled or influenced; therefore, they have to adapt themselves to these external circumstances. In these cultures, winning is not as important as maintaining a strong relationship. The focus is on the environmental factors, such as relationships, since these help one achieve goals. Examples of external direction cultures include China, Russia, Japan, and Saudi Arabia.
5.5. Schwartz’ value survey

Shalom Schwartz’s theory of basic human values discusses the nature of values and highlights the features that are common and further discusses what distinguishes one value from another (Schwartz, 1992; Schwartz, 1994b). The theory identifies 7 cultural values. Despite Hofstede’s cultural dimensions, Schwartz’ cultural values model does not try to simplify the research by grouping and categorizing countries. The number of countries for which Schwartz’s values scores are available has increased from the initial publication of 38 nations’ scores (Schwartz, 1994a) to 49 countries in 1999 (Schwartz, 1999) and then to 73 countries in 2008 (Schwartz, Zamboanga and Weisskirch 2008). Schwartz (2006) identifies ten basic personal values; these values are heavily related to motivation. The values are: self-direction, stimulation, hedonism, achievement, power, security, conformity, benevolence and universalism (Primecz, 2006. p.8.). The values explain where one's background, and what the actual motivations behind their values.

Schwartz put the ten values in a circular structure that captures the conflicts and compatibility among them, and is culturally universal. In every new publication some changes and refinements have been made. In the current research, Schwartz’s seven cultural values are also defined as three-polar dimensions (Schwartz, 1999):

Embeddedness versus autonomy: In autonomous cultures, individuals are free and encouraged to pursue their own interests. In this dimension, autonomy is divided into two subcategories: intellectual and affective autonomy. Intellectual autonomy recognises individuals’ entitlement to pursue their intellectual interests and desires, such as curiosity and creativity. Affective autonomy recognises individuals’ entitlement to pursue their stimulation and hedonism interests, such as pleasure, or an exciting and colourful life. On the other pole of the scale is embeddedness; in these societies, people find meaning in life by identifying with a certain group, living a shared life and pursuing shared goals. Social order, rules and respect for tradition, prioritize security over hedonist adventure.
Hierarchy versus egalitarianism: In hierarchical societies, roles and social norms are needed to ensure an individual’s responsible and productive behaviour. Individuals are expected to comply with the obligations and rules attached to their position, and to show respect to their superiors, that can be in several forms: social power, authority or humility and wealth. Egalitarian societies believe people are morally equal, voluntarily cooperate with each other and are concerned about other people’s wellbeing. They emphasise selfless interests such as: equality, social justice, responsibility and help.

Mastery versus harmony: Societies that value mastery believe they can and should direct and change the environment. Furthermore, they are convinced that the natural and social environments have to be mastered for group or personal interests. These societies encourage active mastery, such as ambition, success, daring and self-sufficiency, in order to get ahead of other people. Societies that value harmony instead, believe people should live in harmony with nature and find balance. Their goals are to fit into the social and natural worlds, accepting their role within these without attempting to change or exploit them. Unity with nature, protecting the environment and being in peace with and within it is more important.

5.6 GLOBE Project

GLOBE stands for Global Leadership and Organizational Behaviour Effectiveness; it is one of the largest studies in the social sciences. In the 1990s, the project examined the relationships among societal culture, leadership, and organizational practices in collaboration with more than 200 researchers from 62 societies (House, et. al, 1997). Since than GLOBE project has been made in more societies and including more questions and topics regarding cultural issues. The first GLOBE study in 2004 was the summary of a ten-year quantitative survey-based study of societal culture, organizational culture, and attributes of effective leadership in 62 societies (House, et.al, 2002; House, et. al, 2004; Primecz, 2006; Bakacsi, 2013). The project features results based on data from 17,300 middle managers in 951 organizations in food processing, financial services, and telecommunications industries, including archival measures of country economic prosperity and the physical and psychological well-being of the studied cultures. The
result of the GLOBE project redefined scholarly understanding of how culture and leadership vary by national culture. The second GLOBE study in 2007 was a follow-up to the first one. Beside the quantitative research, qualitative analyses were also made in order to provide in-depth descriptions of leadership theory and behaviour within the 25 cultures.

The latest GLOBE project, in 2014, is the first large-scale study of CEOs and Top Management Team members across cultures. The influence of societal culture remains a consistent theme in this project as well as within all GLOBE research (House, et al. 2014). In this study, more than 70 researchers collected data from over 100 CEOs and 5,000 senior executives in corporations, in a variety of industries, in 24 countries. The study demonstrates the considerable influence of culture on societal leadership expectations, and the importance of matching CEO behaviours to expectations for leadership effectiveness. In the current phase of GLOBE, called GLOBE 2020, the researchers are collecting cultural information from a large number of the countries that were not part of the original GLOBE study, in places such as Africa and the Middle East. In this way, the project is enabling more nuanced perspectives in cross-comparative research. The main goal is to assess and examine GLOBE's cultural and leadership dimensions and the relationships between them with particular interest in societies that are experiencing a rapid cultural transition, mostly in the Middle East and North Africa regions.

Similar to Hofstede’s national cultures model, the GLOBE researchers uncovered nine cultural dimensions. Five dimensions are the same ones that were already uncovered by Hofstede (Hofstede, 2006). Four more dimensions are added; among these, two are similar to Hofstede’s dimensions: institutional, and societal collectivism (similar to individualism/collectivism). The two cultural dimensions unique to the GLOBE project are: performance orientation, the degree to which societies emphasize performance and achievement; and humane orientation, the extent to which societies place importance on fairness, altruism, and caring (Bakacsi, 2006). Similar to Hofstede, the GLOBE researchers categorized countries into clusters based on similarities in their cultural characteristics. Categorization provides a convenient way to summarize all of the cultural
information for a larger number of countries, and simplifies the task of the international manager attempting to manage effectively. The GLOBE study identified ten clusters, but only seven clusters are actually discussed, since these are the most relevant ones for international managers: the Anglo, the Confucian Asian, the Germanic European, the Nordic European, the Latin American, the Middle Eastern, and the sub-Saharan cluster.

Nine dimensions

1) Assertiveness: this dimension is similar to Hofstede’s dimension of masculinity and femininity. A high value on assertiveness means a society encourages toughness, and competitiveness. On the other pole of the scale, societies with low assertiveness mean that people value tenderness, and care of each other over being competitive.

2) Future orientation: similar to Hofstede’s long-term and short-term time orientations, and Kluckhohn and Strodtbeck’s theory; this refers to the extent to which a society encourages its members to plan for the future over short term results.

3) Uncertainty avoidance: this is a degree to which members of a society feel uncomfortable with uncertainty and ambiguity. It expresses their need for rules structure within society.

4) Gender differentiation: this dimension refers to the extent to which a society maximizes gender role differences. Low gender differentiation, women can have a high status and stronger role in decision making. Countries with high gender differentiation prefer to give men higher social, political and economic status.

5) Power distance: this dimension is also similar to Hofstede’s and refers to the degree to which people accept inequality in relationships and institutions, and express their need or attitude to hierarchy within their society.
6) Societal collectivism: this term is defined as the degree to which practices in institutions such as schools, businesses and other social organizations encourage a tightly knit collectivist society in which people have their role within a group and that is the primary unit of the society; or is it a more individualistic society, where the individual, human being considered to the primary unit.

7) Individual collectivism: this dimension is not focusing on how societal organizations favour individualism versus collectivism; rather, it focuses on the degree to which individuals take pride in being members of a family, close circle of friends, team, or organization.

8) Performance orientation: societies with a high-performance orientation put high emphasis on performance, and reward people for performance improvements and excellence. Opposite to this, a low performance orientation society means people pay less attention to performance and success in a materialistic way; rather, it prefers its members to pay more attention to loyalty, belonging and background.

9) Humane orientation: this dimension refers to the degree to which a society encourages and rewards people for being fair, altruistic, generous, and caring. Society with a high humane orientation put high value on helping others and being kind. A country with a low humane orientation expect people to take care of themselves. Therefore, self enhancement and gratification is of high importance.
6. OVERVIEW TO THE THREE PAPERS

1st Paper: Four pillars of cross-cultural management A systematic literature review

Besides the traditional narrative, in this literature review I found it important to systematically analyse the literature regarding CCM. The phenomenon is complex and the definition of CCM is not fully in line with the understanding and usage we have in academic discussion. Adler’s definition gives an overview, but studying the current most prestigious journals’ articles, it is challenging to put them in line with each other. In order to clarify the meaning of CCM and give a stable foundation to my research, I made a systematic literature review. Despite the traditional narrative reviews, the research process with systematic literature review is more structured and transparent (Tranfield, Denyer and Smart, 2003). In my research I have studied the highest ranked international journals regarding CCM. I based my research on the SCImago top-ranked journals (Q1), and selected only cross-cultural topics. SCImago Journal and Country Rank is a publicly available portal that includes journals and country scientific indicators developed from the information contained in Scopus database - Elsevier B.V. The current paper’s resources are based on this portal’s journal ranking system (Q1-Q4), and according to this system the top category (Q1) journals are highlighted and studied for further use in the current literature review. Several disciplines are analysed: cultural science, business and international management, organizational behaviour, human resource management, and strategy and management. According to the SCImago ranking of top journals (Q1), these are the disciplines that have the biggest effect on CCM. The focus is on the top journals, and through analysing them, a common understanding regarding CCM. Not only the original conceptualization of CCM dominates, but the outcome of the comparison and analysis was shown too.
In order to have a better understanding of the current meaning of CCM, highlighting the most important parts of it was crucial. CCM literature is constantly growing, and the meaning of CCM is changing. Therefore, identifying its main pillars gave a better overview (Oddou and Menedelhall, 1984; Starfield, 2002; Szkudlarek, 2009). It is becoming a more and more important discipline, which can be enriched by insights that expand beyond the core meaning (Tomaselli and Mboti, 2013). Four different aspects are identified based on the literature: According to the studied sources, CCM consists of four main pillars: initially it was a part of (1) psychology, then touching (2) anthropology, later on combining these with business practice related challenges, mostly (3) international business and (4) strategic management. Through these four aspects and their meeting points CCM, had been analysed in the first paper.

2nd Paper. Unique Hungarian way of cross-cultural management Through an example of a multinational company in the oil and gas industry

Studying the literature from the beginning of CCM to the present gave a stable ground for the empirical research. I was able to base my research plan, and then manage my research, on this understanding. In the first part of my research, I conducted content analysis. I used all Hun-Comp’s public, published documents. These documents helped me to have a better understanding of the official organizational culture, and also the values and beliefs they hold on to and convey to their audience. It is important not to standardize and not to look for the overall truth, but to have the best view to the points where different cultures meet each other. Coding the documents made it possible to see the whole picture. In this way, I could map the official corporate culture (Géring, 2015). To understand the basic message that the company expresses through every published document was essential since these are messages that are communicated outside the company as well. This kind of communication is attached with the brand of Hun-Comp; it attracts the people who want to work there, or who want to manage a business with the company. For having a better understanding of Hun-Comp’s CCM related challenges, I analysed the organizational culture as the first step. Interviews were the most efficient way to collect
data in this research, but first analysing these documents gave a glance of one side of the organizational culture; specifically, it using top-down communication to convey their values. The next step was to understand the real, everyday life of the Hun-Comp organizational culture. To manage this, semi-structured interviews were conducted. Putting these two data sets as parallels with each other, I was able to point out the differences of the conveyed message and the interpretation of it.

The research results showed that the main message Hun-Comp conveys through their documents, website and all online communication, focuses on the regional identity and crucial role of the leaders. CCM at Hun-Comp is based on their strong local, Central-Eastern European existence; and the hierarchy that it conveys is created of tailor-made rules and standards, based on their own needs. There is no overall truth and standard in CCM; Hun-Comp gives a good example of how to highlight the cultural similarities, and thus build a strong, long-lasting relationship on these basic principles. Hun-Comp headquarter’s, and subsidiary host countries’ cultures, might be different from each other (Hofstede, 1984), but their employees have similar needs (Schein,2010). Highlighting common values can provide a good way to understand the differences and be more tolerant towards each other within the company (Stoermer, Bader and Froese, 2016).

3rd Paper: Implementing language mandates: English as lingua franca in a Hungarian multinational company

The qualitative methodology was the most suitable way to manage my research, and is what I used in this paper. Content analysis have given me enough information to have an overview, but to understand an organizational culture I had to continue my research with another methodology within the qualitative research. In my research, the focus was on Hun-Comp’s cross-cultural challenges within the company. In order to uncover the deep structure of CCM as a phenomenon, I had to go through the interpretations of the individuals (Yoo, Matsumoto, and LeRoux, 2006; Zhou and Shalley, 2008). To manage
this process, I planned to change the research method at that point. The organizational
culture, the company members and their behaviour and interpretations had to be
understood more, since they create the culture together (Smith, 2005; Moghaddam, 2006;
Mahadevan, 2012). I conducted semi-structured, in-depth interviews. The advantage of a
semi-structured interview lies in its possibility to go for more descriptive answers; in my
research this was priority. Grounded theory has been used for data analysis, and
interviews as a source of data generation.

Not only the headquarters members were involved in the research, but subsidiaries’
members too. Their understanding and experiences of cross-cultural challenges had to be
studied to see the interpretation they have. The solution was to involve the expats coming
from the subsidiaries to the headquarters, and also the expats from the headquarters to the
subsidiaries (Husted, 1996). I wanted to look at how way employees think, how they
receive messages from the headquarters, and how they interpret the rules and values Hun-
Comp headquarters in Hungary conveys. The official, written values and the real-life ones
have to be compared with each other in order to find out the effectiveness of their
communication (Reinecke, 2015). It is difficult to understand a culture, but with this
methodology it was possible to see the core elements. The best way was to go into the
organization and study the different actions and behaviours, and to also pay attention to
the context (Shuter, 1977; Van Maanen, 2006; Lihui, 2015; Gustaffson et al., 2016).

This paper summarizes an understanding of all the cross-cultural challenges that came
with the new strategy announced and started in 2013. This new strategy was about the
new, official organization language: English as lingua franca, instead of Hungarian. For
Hun-Comp, this changing project seemed the most important step towards being a
multinational company. Interviewees mentioned this event as one of the most significant
changes in the organization’s history. English as lingua franca seemed more as a new
responsibility, and caused a barrier between employees (Brimm, 2015). At that point, the
goal was to have a better understanding of this changing process through the employees’
and managers’ experiences.
Findings from the interviews show that Hun-Comp, as a Hungarian multinational company, faces different challenges regarding the language shifting process than other company headquarters that are based in Western countries, since English is a second language for almost all members of those companies. Changing to English as a lingua franca is challenging since it needs more effort to manage the same task while still meeting the same deadlines and managing the same projects. The new official language raised many sensitive questions. Since Hungarian is not a well-known language in the business world, choosing Hungarian as a lingua franca at Hun-Comp was not an option. Since 2013, the new lingua franca created groups of similar-minded people, and did not make communication easier. These facts can lead to misinterpretations and cause stress within the company, which makes it challenging to serve the long-term strategy.
CHAPTER II.

7. First Paper: Four Pillars of Cross-Cultural Management - Systematic Literature Review

7.1. Abstract

In the 60s, markets became global, firms became more international, and cross-border joint ventures, increasingly provided firms with opportunities to rapidly expand geographical market participation. Culturally diverse settings, and the challenges linked to these, have become the focus of scholarly conversations. The importance of Cross-cultural management (CCM) significantly growth. The purpose of the present paper is to review CCM related studies and to map all the relevant areas. Summary is made of 95 sources consisting top-tier journals’ research papers and management studies texts in order to increase understanding in this under researched field. From many interlinked disciplines, the four major ones are identified and detailed in this paper: psychology, anthropology, international business and strategic management. Based on the analysis, the current understanding of CCM is discussed, and promising ways of further research are identified that can further advance the conversation on CCM.

Keywords: cross-cultural management, strategic management, management studies, international business, international management
Absztrakt

A ’60-as évektől kezdődően egyre nagyobb a nyomás a szervezeteken, hogy nemzetközivé váljanak. A nemzetközi szervezeteknek terjeszkedésének köszönhetően egyre fontosabbá válik a kultúrközi menedzsment. Egyre szélesebb körben vitatott téma, a növekvő szakirodalomnak köszönhetően már nem csak az üzleti világban, hanem az akadémiában is fontos szerepet kap. Az eddigi szakirodalmai áttekintések a kultúrközi menedzsmentnek egy adott részét emelték ki, a jelenlegi cikkben a fogalom egészének tanulmányozása a cél. 95 forrás feldolgozása történt annak érdekében, hogy körbejárható legyen a téma és az alapvető pillérek beazonosíthatóak legyenek. A kutatás korán nem csak a szakirodalom összegzésére, hanem az egyes források egymáshoz való viszonyának értelmezésére, továbbá a történelem során bekövetkezett változások kiemelésére is sor került. A legrangosabb szakfolyóiratok és könyvek tanulmányozása során egyértelművé vált, hogy a jelenlegi értelmezés szerint négy alapvető pilléren áll a kultúrközi menedzsment: pszichológia, antropológia, nemezközi kereskedelem és stratégiai menedzsment. Jelenlegi cikk ezeket vizsgálja a kultúrközi menedzsment jobb értelmezése érdekében.

Kulcsszavak: kultúrközi menedzsment, stratégiai menedzsment, menedzsment tanulmányok, nemzetközi kereskedelem, vezetéstudomány
In the past few decades, the importance of cross-cultural management (termed CCM) has significantly grown. Despite clarifying the meaning of the term, it raises more questions in both academic and business practitioner communities. With growing international and global business opportunities, CCM became a more complex and relevant issue for organizations because of the practical applications; in academia, because of its complexity beyond business. Social media, branding, marketing and selling became the norm after the 1960s in international business. Something was changing; the world of business seemed more global in nature. For most businesspeople and scholars, the term “global” replaced “international”, as the adjective was commonly used to describe organizational and leadership strategies, thinking, and behaviour (Bird and Mendenhall, 2016). New challenges appeared, and created new problems, so far unknown; new solutions were needed. The field of CCM was primarily focused on international business and management (Haider, 1966). This was consistent both in how scholars approached managerial behaviour in an international setting, as well as the thinking around what CCM entailed, in addition to the work that international managers performed. Given organizational structures, internal communications and information systems, international work was primarily managerial in scope. Few activities involved the leadership skills of creating and communicating a vision or leading change (Mackenzie, 2005; Kaminska, 2013; Winter, 2014).

In the 1960s, 1970s and 1980s, with the impact of globalization and the growing number and size of the multinational enterprises, CCM became a crucial part of modern management. The rapid globalisation of business has brought with it an increased need for effective international work (Heidrich, 2009; Karácsonyi, 2016). The changing nature of international organisations, changing economic conditions, and the change in multinational enterprise host locations in the developing countries created unique challenges. These new circumstances needed new skills and mindsets from managers and researchers as well (Harris and Kumra, 2000; Message, 2005). The new needs of multinational enterprises gave CCM space to grow. Initially, the adaptation of CCM and understanding of other cultures was not deemed necessary above an arbitrary minimum level. With time, new challenges appeared and therefore a more detailed discussion is needed.
The existing literature appears relatively broad, delineating definitions of CCM and suggesting its different forms (Adler, 2008). Academic interest in this topic has been rising continuously, both theoretically and empirically, resulting in an increase in the number of publications after the 1960s. Hofstede (1980, p. 398) suggests that the key cross-cultural skills are: (1) the capacity to communicate respect; (2) the capacity to be non-judgemental; (3) the capacity to accept the relativity of one's own knowledge and perceptions; (4) the capacity to display empathy; (5) the capacity to be flexible; (6) the capacity for turn-taking (letting everyone take turns in discussions); and (7) tolerance for ambiguity. There are many other approaches toward CCM as a complex topic, in cross-cultural models like: Trompenaars’ research in the cultural dimensions and highlights of national culture differences (Trompenaars and Hampden-Turner, 1997); Schwartz’s aims to compare and measure cultural differences through human values (Schwartz, 1994); and the GLOBE project, in which the researchers try to measure current cultural specialities, and conduct the research in a wider range than Hofstede (House, et al. 2014).

There are several approaches, these analyse CCM from different aspect, focusing on factors such as cross-cultural -skills, -dimensions, -values, -specialties that can be directly linked to CCM but not fully cover the phenomena (Bakacsi, 2012; Milassin, 2019). The current paper focus on Adler’s definition that explain CCM. Adler (2008. p. 13) defines CCM the following way: “Cross-cultural management explains the behaviour of people in organizations around the world and shows people how to work in organizations with employee and client populations from many different cultures. Cross-cultural management describes organizational behaviour within countries and cultures; compares organizational behaviour across countries and cultures; and most important, seeks to understand and improve the interaction of co-workers, managers, executives, clients, suppliers, and alliances partners from countries and cultures around the world”. Based on this definition literature review has been started regarding CCM, and through the research the current meaning of CCM is highlighted in the current paper.
CCM has changed, not along one path, but growing from one subject area to another, containing a crucial part of each and holding them together. According to the studied sources CCM consist of four main pillars: initially it was a part of (1) psychology, then touching (2) anthropology, later on combining these with business practice related challenges, mostly (3) international business and (4) strategic management. This is the reason why CCM should not be studied as one single term, but as the summary of many. It is challenging to have a one over all, standard understanding since there are several perspectives from which CCM can be analysed (Romani, Primecz and Bell, 2014). However, the goal of this paper is to map up the current understanding of CCM. According to the top-tier journals have a better overview to CCM and what it consists of.

In this paper, insights about CCM are organized systematically. Despite the traditional narrative reviews, the research process with systematic literature review is more structured and transparent (Tranfield, Denyer and Smart, 2003). This review differs from previous reviews regarding CCM, in a few important ways. First, articles from several disciplines are analysed: cultural science, business and international management, organizational behaviour, human resource management, and strategy and management (Appendix I). These disciplines are acknowledged to be mostly related to CCM. According to the Scimargo ranking of top journals (Q1), these are the disciplines that have the biggest effect on CCM. The focus is on the top journals, and through analysing them, a common understanding regarding CCM in the current research will be shown. Secondly, not only will the original conceptualization of CCM dominate the current paper, but the outcome of the comparison and analysis will be shown too. Highlighting the growing process of CCM, and the most important parts of it, was crucial to understand its current meaning. Thirdly, this review studies CCM from several aspects, such as psychological, social and practical, and gives an overview to the current understanding. This is an important addition since CCM is constantly growing (Oddou and Menedelhall, 1984; Starfield, 2002; Szkudlarek, 2009). and becoming a more and more important discipline, which can be enriched by insights that expand beyond the core meaning (Tomaselli and Mboti, 2013). Four different aspects are identified based on the literature; therefore, through these four aspects, CCM as presented here is also focused on the meeting points of these aspects.
7.3. Methology

7.3.1. Scope of the literature review

The aim of this paper is to present a comprehensive, yet focused, literature review of CCM. First, the most important part of the research was to identify the relevant literature on CCM. Full books, and book chapters, were excluded, since the criteria for academic journals and books are not the same. In order to have a standard criteria and scope of literature of these kinds, certain sources had to be excluded from the search (Broke, et al., 2009). Although, some of the papers were heavily based books therefore, these books, book chapters were studied and added to the research for better understanding. Initially, only review studies published in ranked peer-reviewed academic journals were included in the search. These rankings are subjective, but they provide criteria that authors can use for selecting studies to review (Webster and Watson, 2002).

The current review focused on the SCImago top-ranked journals (Q1), and selected only cross-cultural topics (Figure 1). SCImago Journal and Country Rank is a publicly available portal that includes journals and country scientific indicators developed from the information contained in Scopus database - Elsevier B.V. The current paper’s resources are based on this portal’s journal ranking system (Q1-Q4), and according to this system the top category (Q1) journals are highlighted and studied for further use in the current literature review. The selected journals were then analysed by their scope. The ones including the CCM topic were included for further research (Appendix I). Within these journals, research had been made by using the key phrase ‘cross-cultural’ in titles, keywords or abstracts. The articles that mentioned ‘cross-cultural’, but did not deal with the topic, were not considered (Primecz, Kiss and Toarniczky, 2019). These articles were focusing cultural and behaviour topics but can not be linked to CCM directly. There were, however, academic works heavily based on other already published papers or books; these resources were studied too in order to have a better understanding of the particular research or theory. The ones which gave added information to the papers published in top journals were used too, and mentioned as a reference. Some that were only used in these top papers are reviewed but not used in the current paper, since the theories were not fully
developed, and the paper was not strongly built on them; therefore, they are not mentioned as a reference. At the beginning of the research, all the selected papers, and the reference list, were analysed in order to include all the necessary works. Going further with the research process from the current research point of view, the crucial resources, including the selected top journals’ papers, and other works that served as the grounding for these works, where all identified and used for further analyses in the current literature review.

3. Figure Searching Process

Source: Own research result
In order to avoid restricting the ability to identify patterns or potential gaps, and then draw conclusions, many scholars advise working with insights from disciplines outside the core areas (Jones and Gatrell, 2014). Following this advice lead the research to the conclusion that the CCM topic was not only studied from an international viewpoint, but also from a psychological and sociological point of view. On SCImago, many ‘subject areas’ and ‘categories’ have been analysed (Appendix I). The main focus was ‘Subject areas: Social Science’ and ‘Category: Cultural Studies’; besides this, there were many other top journals that gave important roles to CCM according to their scope (Figure 1). The CCM topic, therefore, has been researched in business, management and accounting related journals, too. There was no ‘region’ and ‘timing’ criteria in the research process. According to the scope of the journals, there were 49 that focused on or included CCM as a topic. Further research throughout the journals using the key phrase reduced this number; by this stage there were 17 journals identified (Figure 2). The application of the criteria, the study of the journals’ scope and research with the key phrase resulted in 53 selected articles at the end. Analysing these articles other papers and books were identified, that these papers were heavily based on, in addition those were added too. The current review is based on a total of 95 sources.
Source: Own research result

4. Figure Comparison of the literature searching result and the relevant articles
A large proportion of the selected articles were from three journals: the Academy of Management Journal with 10 articles (19%); the Journal of Cross-cultural Psychology, which contained 9 articles (17%); and the International Journal of Intercultural Relations, which had 6 articles (11%) that were looked at. These journals had published the majority of the used studies (the initial 53 papers) and the remaining articles have been selected from the other journals (Figure 2), on average 1-2 articles per journal (Appendix I). Occasionally, it had to be reorganized as some of the articles may have dealt with topics directly linked with CCM, but different terminology was used. These articles were included when they more explicitly discussed CCM, and some of the initial 53 papers referred to these. The journals that were among the top-tier journals, according to the ScImago ranking and that met the inclusion criteria ‘Social Science - Cultural Studies’, did not publish completely appropriate articles that could have been studied further regarding CCM.

For the purpose of the current study, certain choices needed to be made despite the potential risk. Since only Q1 ranked journals were analysed, there might have been some articles in the lower ranked journals that would have given more insight into various CCM topics which were not included. Also, the identified main pillars are highlighted in the current paper, but with further research others might also appear. This limitation can be lifted by including other key phrases, but in order to have complete coverage for the literature review, and to manage the analysis, this risk had to be taken. In order to give the current research a clear structure and a manageable process, top journals were used as the basis of the research. These journals publish papers that are identified as the best and highest quality papers by the academia therefore the ideas and theories discussed in these papers gives the ground to further research. If these papers give the standard than these leads the academic discussion about certain theories, therefore analysing CCM according to these papers gives an overview of the current understanding of it. Also, this paper can support further research and might be an initial step towards a better understanding of CCM and other papers based on or linked to CCM.
7.4. Research result

The current understanding of CCM includes four main categories in the social sciences (Figure 3): psychology, anthropology, international business and strategic management. These four major pillars are identified as the main pillars of CCM. The literature emphasizes these four areas since, based on CCM’s history, it has grown out of and through these areas of study. CCM is rooted in psychology and anthropology, because these sciences deal with culture and its effect on human behaviour. (2) Psychology highlights the individuals understanding and interpretation of society and cultures. Any kind of interaction across cultures is inherently stressful, as it challenges our assumptions, which we assume are universal. Since cultural habits are acquired and internalized from early childhood, they generally elude our awareness, except when we encounter people whose cultural scripts are at variance with our own. As a person changes according to their circumstances, and are affected by others in their societies, (2) anthropology can help give a better understanding of human behaviour and development (Abe and Wiseman, 1983; Albert, 1986;). (3) International business, and the rising chance of growing as an organization and community, brings different cultures close together, and forces companies to manage groups that consist of individuals with wildly different backgrounds (Osbeck, Moghaddam and Perreault, 1997; Chen et al., 2010). This contains notions of levelling up partnerships, and including cultural matters into (4) strategic thinking (Francis, 1991; Pornpitakpan, 1999; Mohr and Puck, 2005). CCM links many subareas and grows alongside and in parallel with them, include terms and specialties from all the four areas (Figure 3). This process shows that CCM is wide, constantly growing and specifying at the same time.
5. Figure Cross-Cultural Management Mind-map

- **IV. STRATEGIC MANAGEMENT**
  - Cultural values:
    - 1. Knowledge
    - 2. Social behavior

- **I. PSYCHOLOGY**
  - Cultural tightness-looseness

- **II. ANTHROPOLOGY**
  - Cultural as:
    - Social system
    - Collective representation
    - Changing environment

- **III. INTERNATIONAL BUSINESS**
  - Exparties:
    - Clock and psychological time
    - Person - Environment fit

- **ambient cultural disharmony**
- **intercultural tensions:**
  - Racial or cultural essentialism
  - Implicit beliefs

- **intercultural experiences**

- **cultural distance**
  - Cultural diversity as a driver of innovation

- **no universally applicable management style**

Source: Own research result
7.4.1. Identified main pillars of cross-cultural management

7.4.1.1. Psychology

With the internationalization of enterprises in the 1960s, cross-cultural issues started to rise, and addressing these cross-cultural issues was an urgent matter. A new demand for CCM tools started to surface from the multinational enterprises’ side, and at the time it was mostly to manage the daily business relationship between the headquarters and the subsidiaries. CCM started to be crucial in strategy making. Cross-cultural psychology as a discipline had already existed, being part of psychology, but initially coming from anthropology (Pedersen, 1991; Y. Kashima, 1998; Singelis, 2000). Most companies faced problems regarding multiculturalism, and CCM related questions and innovations all started as a Western project, since the companies that went global first were Western too. In order to prevent the psychology from becoming exclusively Western, cross-cultural psychologists sought to test the universality of psychological laws via cultural comparative studies (Ellis and Stam, 2015). Attempting to overcome psychology’s “culture-blindness” was considered a laudable goal of the early cross-cultural psychologists, whose context was the emergence of cognitive psychology and individualism, the new mechanisms of information processing in psychology, and finally the cultural upheavals of the 1960s and 1970s.

The main definition of cross-cultural psychology was defined in the beginning of the 50s: “Culture consists of patterns, explicit and implicit, of and for behaviour acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiments in artefacts; the essential core of culture consists of traditional (i.e. historically derived and selected ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other as conditioning elements of further action. […] this formula will be modified and enlarged in the future as regards (1) the interrelations of cultural forms: and (2) variability and the individual” (Kroeber and Kluckhohn, 1952, p. 181).
For the first few decades cross-cultural psychologists worked, as a rule, directly with people in other cultures, mostly in face-to-face situations. Their studies were focused on topics like cognition, perception, and developmental and social issues. Expanding the literature further in this new emerging science of complexity Hofstede wrote: “[…] I treat culture as ‘the collective programming of the mind which distinguishes the members of one human group from another” (1984, p. 21). These words foreshadowed a new approach in cross-cultural psychology, which has become increasingly social, statistical, and indirect, in the sense that the only contact with participants is through the group administration of questionnaires and scales. Although the literature on cross-cultural psychology does not explicitly mention this, with time and with bigger cross-cultural projects, face-to-face data collection and qualitative information methodologies did not become a priority anymore. The initial idea to address a new demand, the need of a better understanding of another culture and another individual from a different cultural background, faded away. Cross-cultural research became about statistics and generalization (Leong, 2016). In other words, the purpose of the world-wide research started to be about efficiency and not about understanding.

According to Schwartz (2009), “The underlying normative value emphases that are central to culture influence and give a degree of coherence to these manifestations” (p.128). In this view, culture is outside the individual. It is not located in the minds and actions of an individual. It refers to the information to which individuals are exposed by virtue of living in a particular social system. Culture is created – and can be destroyed too – by humans. Currently it is passed on to us by previous generations, but can be and should be shaped with time (Bond and van de Vijver, 2011; Torrès and Kärtner, 2017), even if the globalized world inherits the history of multiple conflicts that are actualized in the trans-generational memory of cultures (Silva and Guimaraes, 2012; Sieck, Smith and Rasmussen, 2013). Culture comprises shared beliefs, values, and group norms of interconnected individuals, such as those from the same nation, racial or ethnic background. People can build emotional connections with a specific cultural group, drawing from it a sense of comfort and safe haven (Peleg and Rahal, 2012; Hong et al., 2013). In their research, Hong and his colleagues have started to examine the role of emotions in meeting intercultural challenges. For example, it has been demonstrated that the ability to recognize emotion in a new cultural context and emotional regulation are important predictors of intercultural adjustment (Jorgensen, 1979). Hong explains that
incidentally, attachment researchers have established that secure and insecure attachment styles can predict adolescent adjustment through emotional regulation and social competence (Cooper, Shaver and Collins, 1998). According to this research, emotions are one of the most important links between an individual and their cultural attachment. Based on this, culture cannot exist without humans, and individuals are indeed the creators and the shapers of culture.

7.4.1.2. Anthropology

It was only in the 18th-century that, in France, the single term “culture” began to be used and to acquire a sense of skill or refinement of the mind or taste. It was rapidly extended to refer to the qualities of an educated person, and this meaning has been retained until today (Jahoda, 2012). In English, in the 19th century, the writer Matthew Arnold held a similar view, describing culture as “the acquainting ourselves with the best that has been known and said in the world, and thus with the history of the human spirit” (Arnold, 1873). Around the same time, the anthropologist Edward Tylor famously began his definition with the words “culture” or “civilization” is that complex whole which includes: knowledge, belief and any other capacity acquired by man as a member of society. “Culture… is that complex whole which includes knowledge, beliefs, arts, morals, law, customs, and any other capabilities and habits acquired by (a human) as a member of society” (Tylor [1871] 1958, p. 1). The word “culture” comes from human science, directly from the positive human skills such as knowledge, values and communication, and is directly linked to the meaning of civilization (Driel and Gabrenya Jr., 2012). It means that the core of culture is the individual in society; it comes from an individual, and creates a whole together.

Any kind of comparative study of social phenomena across two – or more – societies is "cross-cultural." However, the current usage ordinarily distinguishes "cross-cultural" from "cross-national" research, with the former referring only to comparisons among nonindustrial societies of the variety traditionally studied by anthropologists, and the latter to comparisons among modern nations (Udy, 1973). "Cross-cultural analysis" is directed toward generalizations, and is thereby distinguished from piecemeal
comparisons seeking to describe only one society, by contrasting it with others. As a research activity, “cross-cultural analysis” has been increasing. The comparative study of nonindustrial societies, with a view to discovering or testing general principles, is distinctive, and quite different theoretically, conceptually, and methodologically from both cross-national research and piecemeal comparison. Cross-cultural analysis would seem to be central to both anthropology and sociology, but its basic patterns of operations, as well as the skills it demands, are very different. The typical cross-cultural study is directed toward the analysis of a relatively small number of traits over a relatively large number of societies. The number and type of societies studied, as well as the range and kinds of data required from each society, are all determined by the nature of the generalizations sought.

If several or many societies are involved, the cross-cultural researcher almost always has to rely on secondary source materials for most of the information. Since the sample of societies is usually fairly large, it is necessary to manipulate the data through aggregative statistical techniques in order to gain a clear and understandable result that can be then generalized. Cross-cultural analysis is typically carried on in library, office or laboratory, rather than in the field studying the environment and all the circumstances. Generally speaking, it involves studying secondary ethnographic and historical sources in large numbers of nonindustrial societies, coding relevant data from these sources only, and manipulating these data so that they will yield fairly abstract, theoretical conclusions, according to Stening (1979). The potential for problems in intercultural relationships is greater since cross-culturally there are often major differences in values, attitudes, beliefs, expectations, and the like. Therefore, using a small sample in research and studying this sample, and then making a conclusion, seems not good enough to make reliable outcomes. Triandis (1972), clarifies “a cultural group’s characteristic way of perceiving its social environment” (p. 3), as a “subjective culture”. As a result, the outcomes of such studies are only true for that certain group. Studying cross-cultural management makes this even more complex, since it not only about a separate group, but the relationships and links between them are also highlighted. Anthropology as a science dealing with humans does not seem as involved in these issues so far, according to the studied literature. For this reason, taking a sample and generalizing the results seems unacceptable and harmful in the long run.
In a number of ways psychology studies are closely related to anthropology research. These two sciences are linked in CCM, therefore they should be analysed in parallel to each other. The central concerns of anthropologists and psychologists are very similar, but there are many differences in their perspectives or approaches that need to be stated. Anthropologists are often concerned with the discovery of acceptable alternatives in a behavioural domain under certain external or environmental conditions (Frake, 1964). Despite this, psychologists are concerned with predictions regarding particular choices in a given group, and the way members will respond to certain stimulus situations. Psychologists have a preference for experiments and the manipulation of variables; furthermore, they often artificially restrict the set of alternatives open to their respondents in the service of experimental rigor. Psychologists see their main purpose as the development of general laws of human behaviour and the application of these laws to different situations. However, a law cannot be considered general unless it holds on to the full range of the variables involved, for example, in various social settings, and for most humans (Triandis, Malpass and Davidson, 1971).

7.4.1.3. International Business

The growing pressure for performance, delivery, and increased globalization have created a debate on the use of standardized “best practices” across countries, versus adaptation to the local context (Nedeem, et al., 2018). On the one side there are the universalists, arguing in favour of ‘convergence’ across countries, claiming transferability of these best practices irrespective of national boundaries (Pudelko and Harzing, 2007). On the other side are those who posit that despite globalization, direct transfer of “best practices” across countries is hindered by many contextual factors, such as social, institutional and cultural factors. Increased globalization and emigration to many developed countries, organizations in these countries have become increasingly more demographically complex, with employees of diverse cultural backgrounds working and interacting on a daily basis (Shore et al., 2009; Jaeger et al., 2016). A culturally diverse workforce poses significant challenges for leaders; furthermore, complexity is added because diversity and its effects are not very well understood yet (Giddens, 1991; Rupert et al., 2010). Moore (2015) notes that leaders need to be sensitive to cultural differences and must adopt
different leadership styles in order to manage employees from diverse backgrounds. This task should be nothing less than a priority (Adler, 1997; Harris, 2000; Hiranandani, 2012; Jansen et al., 2016). Creative solutions for cultural minority related problems must be found. This would also facilitates the development of positive mindsets toward diversity; thus, it directly and indirectly plays an important role in cultural minorities’ socialization process (Malik and Singh, 2015). This might be the key to integration by not creating a one over all standard that eliminates the varied cultures, but builds a well-rounded CCM.

Scholars have looked to convergence theory to understand emerging global business ethics. Early accounts of this theory are considered today as ethnocentric because they assumed that the United States and some Western European countries were the "correct" model to which all successful developing countries would eventually converge to (Usunier, 2011). Convergence theory posited that as the world became industrialized, the demands of professional management would cause managerial styles and values in different countries to become more alike over time (Chong and Thomas, 1997). This aims to reduce organizational cultural differences that impede knowledge transfer. In addition, another way to integrate different cultures within an organization or group is by creating a new platform for such transfer. This could mean cultural crossvergence (Sarala and Vaara, 2010). Through cultural integration, one creates a positive social dynamic for alleviating the risks of nationalistic confrontation, reaping the knowledge potential residing in distinctive national cultural systems.

The purpose of cultural integration, on one hand, is quite positive; it helps groups – or organizations – to work together and have an easier way to interpret strategy. Unique challenges come from the cultural differences; these are shown in such aspects as language, values, and expectations. These differences are likely to influence the manner in which work is done and the underlying capabilities needed for success (Yagi and Kleinberg, 2011). Integration of cultures under one standard – overall – culture, might address these challenges. On the other hand, it indirectly creates standards that go against all cross-cultural topics, since the differences vanish and create a new common culture, but not actually reaching out for each other and not aiming to have an understanding. Business managers have long been interested in the standardization issue, and suggest operational economies and the development of uniform best practices (Dorfman, 2012; Popli, 2016).
7.4.1.4. Strategy Management

In the 60s, markets became global, firms became more international, and joint ventures, particularly cross-border joint ventures, increasingly provided firms with opportunities to rapidly expand geographical market participation. This created economies of scale and critical mass. This lets companies reduce risk, learn new skills and technologies, and facilitate effective resource sharing (Harrigan, 1988; Lei and Pitts, 1999; Michel et. al., 2000). With joint ventures becoming a powerful force shaping firms' global strategies, it is not surprising that partnerships between horizontally related firms have significantly increased since the 1960s (Park and Ungson, 1997). Environmental variables, including pre-departure training, sources of support, family adjustment, and job characteristics, have also been found to influence cross-cultural adjustment (Harrison et al., 1998; Shaffer and Harrison, 1998; Kraimer et al., 2001; Van Vianen et al., 2004). One framework for categorizing cultural differences emerges from research on diversity in work groups.

The diversity concept has also been met with very different interpretations, even within the European context. Point and Singh (2003) found that companies in Europe had different diversity definitions, with emphasis ranging from gender to age to culture to disability (Stoermer, Davies and Froese 2017). Almond et al. (2005) found in their research on American multinationals in the UK that gender was universal when discussing diversity across subsidiaries, although differences on other dimensions and groups emerged (Chatterjee, 1992; Salk and Brannen, 2000; Chuang, 2015). Therefore, if creativity is coming from a diverse team, then it is a complex case, since in a diverse team every individual has another meaning for creativity. For this reason, the first step towards international success in the case of multinational companies is to find a common ground or to have a correct interpretation. As one of globalization’s biggest pressures is to make companies innovate in a global multicultural context, as it is increasingly important to cultivate a culturally diverse workplace to enhance employee creativity (Zhou and Su, 2010; Keller, Wen Chen and Leung, 2018).
Cultural diversity is routinely invoked as a driver of innovation and improved performance, for both individuals and organizations (Watson, Kumar and Michaelsen, 1993; Ely and Thomas, 2001; Edgar, et al., 2014). Diversity is a characteristic of groups that refers to demographic differences such as gender, race, ethnicity, nationality, all of which potentially contribute to a cultural identity that stems from membership in sociocultural distinct demographic groups (McGrath, Berdahl and Arrow, 1995). The members of these groups tend to share certain world views, norms, values, goals, priorities, and sociocultural heritage (Ely and Thomas, 2001; Hajro, Gibson and Pubelko, 2017). Diversity of the labour force is a fact, yet knowledge about attitudes towards diversity in different national contexts is limited (Berry, 2016; Traavik and Adavikolanu, 2016). The shape and form of diversity varies from country to country, but diversity in itself is ever present, and organizations are increasingly under pressure to manage it successfully. The growing number of women in the workforce, the escalation of migration from developing to industrialized countries, and the importance of international career mobility all contribute to the diversity of the workforce (Priest, et al., 2014).

Cultural diversity in a workplace ideally provides for the confluence of disparate ideas from different cultures. The appropriate combination of ideas and perspectives from different cultures potentiates creative solutions and addresses business problems in the global economy (Chen et al., 2010; Stahl, 2017). Intercultural disharmony in the workplace, and in society in general, is inevitable, and is not directly under individuals’ control. A disharmonious multicultural social environment can easily undermine an individual’s creativity. Everything depends on our own understanding, so this makes cross-cultural research even harder, since everyone has their own understanding regarding diversity – which is believed to be the engine of growth and success within multinational enterprises (Ajiferuke and Boddewyn, 1970; Esterby-Smith and Malina, 1999). Esterby-Smith and Malina (1999) refer back to Siegle’s (1986) book, where he is pointing out that in terms of the world’s roots, something that is reflexive "must turn back on itself, and then turn back on its turning" (1986, p. 2). Reflexivity is a valuable component of CCM, especially when there is a need to combine different perspectives in order to have a clear understanding about diversity within a business setting or social science.
7.5. Conclusion

In the current review, psychology, anthropology, international business and strategic management have been studied. CCM emerged from psychology; the first research and paper publications were made in the journals regarding psychology. Since cultural issues are about human behaviour, mindset, values and beliefs, understanding human psychology was the first step towards understanding each other. First definition of CCM was created by an anthropologist. Humankind and their history, capabilities and skills, are all connected to those that understand themselves, others and the environment they are surrounded by. In order to create links between cultures and gather people with different cultural backgrounds, human-focused studies are needed. Although CCM was an existing science, the growth of it comes from globalization and the international relationship within business settings. New solutions were needed for the unique challenges that came with the globalized world. For this reason, diverse teams started to be the engine of success, and for these teams’ new management styles was needed.

The purpose of this review was to systematically analyse the literature on CCM by identifying the main pillars of it, linking the different aspects together and considering the current understanding. Through reviewing the literature and studying the different pillars of CCM, a better understanding has been achieved by developing a mind map. In comparison to former reviews on CCM, the current review distinguishes itself because it is extensive overview of different aspects, and shows the links between these in order to make the structure and meaning visible. The review focuses on the different parts of CCM and brings the connections to the forefront, which previous reviews did not discuss in detail. Highlighting the top journals and top academics’ understanding of CCM gives an overview to the term. Through the four pillars, CCM can be brought closer to full knowledge and clarification, and this may serve for a better understanding for future research and discussions.
7.5.1. Limitations

The aim of this review is to analyse and synthesize the literature regarding CCM from top journals with no time limit. In order to be able to study the history of CCM, and all the aspects that are directly connected to it. Despite all the efforts, the current study suffers from a few notable limitations. First, in an attempt to test CCM and its development and components, a narrow focus was taken. The literature selection approached only top journals and books that each paper was heavily based on, and left out research that had appeared in lower ranked journals and other sources. Second, during the reviewing process, the focus was on CCM and the different aspects that had been studied, measured and researched so far. The aim was to capture the use and the understanding of these papers. Last, not all the necessary aspects are researched and studied; therefore, these aspects are mentioned regarding the main four pillars but not analysed in detail. Some of the sub areas have not been fully explored yet, and so far not directly linked to CCM; therefore, these could not be included in the current review. Research on CCM will continue to be significant and vibrant topic. Many exciting opportunities lay ahead in further gaining a deeper understanding, as the current research is a step further towards achieving that goal by mapping the current understanding of CCM.
8. Second Paper: Unique Hungarian way of cross-cultural management – Through an example of a multinational company in the oil and gas industry

8.1. Abstract

Multiculturalism is a new phenomenon in Central-East European countries and has a different meaning than in Western Europe. There are many historical and cultural differences within Europe, as the Eastern countries cannot duplicate the West regarding cross-cultural management, and so they have to make their own tailor-made strategy. The countries that later joined the EU have their own unique position in business in accordance with the Muslim countries. One of the biggest multinational company in Central-East Europe is able to make an entrance into the overruled oil industry successfully. Content analyses of the company published documents, websites are summarized in this current paper in order to highlight the uniqueness of their CCM.

Keywords cross-cultural management, Central-East Europe, convergence theory, strategic management, international management
International organizations have to build up a strong and efficient structure for the communication within the company in order to gather the members from different cultural backgrounds, build a team as well as create a synergy (Chua, 2013). Multiculturalism is a well known fact in Western Europe, however, multiculturalism in Eastern Europe appears in another form and raises a number of unique challenges. Multiculturalism in Central and Eastern Europe does not resonate with the one in Western Europe (Lane/Distefano/Maznewski, 2008a; Adler 2008a). Europe has been seen as one culture overall and the same is true for Asia. In practise, Europe and Asia contain several different cultures. Surely, there are global standards that have to be followed (Festing/Knappert/Dowling, 2012), but besides these requirements, local knowledge is essential (Bacouel-Jentjens/Brandl, 2015). The EU member countries cannot be compared to each other, from an organizational management and organizational culture perspective, every country has its own way of conveying its principles and values (Jardon/Molodchik, 2017). These values derived mostly from the national history, diplomatic relationships and also business strategies. According to these values, the EU member countries have significant differences and cross-cultural management (CCM) is incomparable between East and Western Europe. This phenomenon is new in Central-East Europe and countries such as Hungary have to face other issues than the Western countries (Brahim/Dupuch, 2016a).

The main purpose of this paper is to highlight the unique way of CCM in Hun-Comp (phantasy name), a Hungarian multinational company; to have a better understanding of the CCM challenges from one of the leading Central-East European company’s perspective. The word diversity has another meaning in Western and Eastern Europe, furthermore, within each region of the same country (Kaasa/Vadi/Varblane, 2013a; Lane/Distefano/Maznewski, 2008b). If the CCM is based on the diversity than it has to be clarified first, in order to create an effective strategy. Connected with the already used structures and best practices, tailor made proceedings might be more effective (Dikova/Witteloostuijn/Parker, 2016; Marfelt/Muhr, 2016; Ahonen, et al., 2014). Hun-Comp, a Hungarian multinational company has been chosen to present a unique way of CCM. As a multinational company, there are standards that may be followed at a basic level, such as the English language being the official language within the company.
(Vigier/Spencer-Oatey, 2017; Reiche, et al., 2015) but can not fully adopt to other companies’ best practices. For instance, the Anglo-Dutch Shell oil and gas company’s solutions regarding CCM can not be used effectively at Hun-Comp. Shell’s headquarter is in Hauge, Netherlands and is incorporated in United Kingdom as having different needs and challenges than at the Hun-Comp in Budapest, Hungary. The daily work and the unique relationship within the Hungarian headquarter and the Asian subsidiaries need a perfectly fitted solution (Bobina/Sabotinova, 2017; Clark/Polesello, 2017; Peterlin, et al., 2015). The results definitely highlight the individual – Hun-Comp’s – way to convey their values and standards.

This paper focus on the organization level CCM but in order to have a better understanding, the historical and social aspects regarding the non-native population have to be studied too. These aspects included in the research were needed in order to give better results. As we know, Western-Europe has a long history regarding colonization and immigration. In the UK, Germany, the Netherlands and in the Nordic countries there is also a big non-native population. According to the 2016 Eurostat database the immigration statistics were the following: in UK: 45.9%; in Germany: 49.2 %; in the Netherlands 40.5%; Norway 52.7% of the population is from a non-EU member country. These countries already have a successful management system regarding how to live together. The East European countries do not have the same history and relationship with other continents. In Hungary the percentage of the immigration population is significantly less than it is in the Western countries (according to Eurostat in 2016 it was 24.7% of the population is from a non-EU country). During the Soviet Union there were international relationships even with the far Asian countries, but after the collapse of the Soviet Union, these countries started to shut down (Denéchére, 2014). Since there are many historical and cultural differences within Europe, the Post-Socialist countries cannot imitate the West regarding CCM.

The aim in this current research is not to map up the entire industrial (oil and gas) or historical background (immigration, colonization) but it is nevertheless a crucial to point out the main aspects that have an effect on the chosen organization’s CCM (Skinner, et al., 2008) in order to highlight its uniqueness. The energy dependence makes the US and the Western EU countries have a strong relationship with the Arab countries. These relationships look back on a long history and it is hard to get into the inner circles. Other EU countries have not yet had such a relationship; although they have the same needs but
have not had the same influence (Shapiro/Hobdari/Hoon, 2018). In Asia, there are countries which have also raw material resources. According to the OECD Annual Gas Market Report, the Middle East region will have the most increase in gas output in the next five years (Figure 1). Besides the tremendous opportunities which these countries have, they also face unique challenges. The cultural, political understanding is crucial. The Western style of business management can not address the rising challenges, and a better understanding in regards to this may help the Central-East European countries bond with the Islamic Asian nations (Topalli, 2016). In order to create more successful business relationships and gain economic success in these emerging markets, the parties undeniably have to be more flexible. The understanding of the local concept is in turn, defining the future of the partnership.

6. Figure Global natural gas production growth by region and the shares of the region from the growth, 2005-11, 2011-17 and 2017-23

Source: OECD iLibrary: Market report series: Gas 2018; p.69.

In the 21st century, the negative emotional judgement towards colonization has not faded away. A distance is still felt between the countries in Europe and Asia regarding that specific period of history (Barron, 2013). The lately joined EU countries – mostly Central and East European – are not included in this judgement towards them from Asian countries. They have no effect on this era so the cultural gap is not linked to any kind of perceptions. Cultural distance is not necessarily a disadvantage. There is no historical legacy that might affect the present therefore, it is up to the partners to create a
relationship according to their own understanding. This may lead to their success regarding business with the Muslim Asian countries. For Central-East European countries it is a new challenge, therefore, the solution has to be new, too.

8.3. Insights from the related literature

The focus of this paper is close to two standards in international business literature discussing: (1) convergence theory and (2) best-practices versus adoption of local practices. Scholars have looked to convergence theory to understand emerging global business ethics. Early accounts of this theory are considered nowadays ethnocentric because they assumed that the United States and some Western European countries were the "correct" models to which all successful developing countries would eventually converge (Usunier, 2011). Convergence theory posited that as the world became industrialized, the demands of professional management resulted in having managerial styles and values in different countries to become more similar over time (Chong/Thomas, 1997). This aims to reduce organizational cultural differences that impede knowledge transfer. The other way to integrate different cultures within an organization or group is by creating a new platform for such transfer which means cultural crossvergence (Sarala/Vaara, 2010). Through cultural integration one creates a positive social dynamic for alleviating the risks of nationalistic confrontation, and for reaping the knowledge potential residing in distinctive national cultural systems.

The purpose of the cultural integration on one hand is quite positive, it helps the groups – or organizations – to work together and have an easier way to interpret the strategy. Unique challenges comes from the cultural differences which are shown in such elements such as language, values, and expectations. These differences are likely to influence the manner in which work is done and the underlying capabilities needed for success (Park/Ungson, 2016; Shin/Morgeson/Campion, 2007; Chevrier, 2003). Integration of the cultures under one standard – over all – culture might address the challenges. On the other
hand, it indirectly creates standards that goes against all cross-cultural topics, since it diminishes the differences and creates a new common culture but not actually reaching out for each other and not aiming to have an understanding (Liu, et al., 2018). Business managers have long been interested in the standardization issue, it suggests operational economies and the development of uniform best practices (Popli, 2016; Nikolic/Vukojanski/Nedeljkovi, 2014; Caligiuri/Tarique, 2012; Dorfman et al, 2012; Griffith/Hu/Ryans, 2000).

The growing pressure for performance, delivery, and increased globalization have created a debate on the use of standardized „best practices” across countries versus adaptation to the local context (Nadeem, et al., 2018). On the one hand, there are the universalists, arguing in favour of ‘convergence’ across countries, claiming transferability of these best practices irrespective of national boundaries (Pudelko/Harzing, 2007). On the other hand, there are those positing that despite globalization, direct transfer of „best practices” across countries is hindered by many contextual factors, such as; social, institutional and cultural factors. Some authors claimed that cross-cultural understanding is actually the key for people to reach one another from different cultural backgrounds and it also serves the companies growth and success. Synergy in a group of people means cooperative or combined action (Harris, 2004; Rohlfer/Zhang, 2016). It occurs when diverse or disparate individuals or groups of people collaborate in a common cause. The objective is to increase effectiveness by sharing perceptions and experiences, insights and knowledge. The complexity and concentrating of today’s global marketplace forces people to capitalize on their differences to progress together. The differences in the world’s people can lead to mutual growth and accomplishment that is more than the single contribution of each party.

Although most authors that have been investigating this issue mention that with increased globalization and emigration to many developed countries, organizations in these countries have become increasingly more complex demographically, and with employees of diverse cultural backgrounds working and interacting on a daily basis (Jeager/Kim/Butt, 2016; Shore et al., 2009; Darling/Fogliasso, 1999). A culturally diverse workforce poses significant challenges for leaders, furthermore the complexity of this
issue is that the diversity and its effects are not very well understood yet (Minkov, 2018). With a doubt, the effective leadership would be even more important for cultural minorities who face difficulties in adjusting in a new organization (Rupert, et al., 2010a). Moore (2015) notes that leaders need to be sensitive to cultural differences and must adopt different leadership styles to manage diverse employees and this task should be a priority (Adler, 1997b, Kirkman/Shapiro, 2001). The concern is about how to integrate these cultural minorities within their organizations (Jansen, et al., 2016; Gaur/Bathula/Diaz, 2015; Hiranandani, 2012; Rupert et al., 2010b; Harris, 2000). Creative problem-solving of cultural minorities, and also facilitating the development of positive diversity mindsets of other employees directly and indirectly plays an important role in cultural minorities’ socialization process. (Malik/Singh, 2015). For this reason, it might be the key to integration where people from diverse cultural backgrounds can meet and work or live together but not create a standard that results in the disappearance of cultures.

8.4. Methodology

8.4.1. Organizational context

Applying a purposeful sampling method and selecting information-rich cases that have insightful observations to the current research (Patton, 1990), one company has been selected only. The initial sample included four Hungarian companies that had a long history in operating at a global level. Performing focused searches required the clarification of the criteria and narrowing down the focus, therefore, by the end of the process, only one company met the requirements. This firm includes all the criteria that is important from the point of the research: (a) the location is Hungary: Central-East European company; (b) from its size and operating countries, it is considered a multinational enterprise; (c) for more than a decade it has been operating in several countries all over Asia, Europe and North-Africa. The selected company is the Hungarian multinational company: Hun-Comp., which operates in the oil and gas industry and is recognized as the leading regional company in Central-East Europe.
Hun-Comp deals with upstream (exploration and production), gas midstream, downstream (refining and petrochemicals) and also Business Innovation and Services (retail and mobility). In this paper the upstream sector is highlighted. At Hun-Comp, the upstream sector is responsible for the exploration and mining, therefore, this sector is in daily contact with the majority of Muslim countries, Hun-Comp’s Asian partner nations. Furthermore, in the upstream sector Hun-Comp has subsidiaries with the longest history of over 20 years. The upstream sector means the core activity of the company. In the current research – Christian majority Hungary and its Muslim majority partner countries – upstream partners of Hun-Comp were more appropriate to analyse.

Hun-Comp has many Asian countries as partners regarding its upstream sector. These subsidiaries would need more quality improvement from relationship aspect. In this phase of business relationship understanding each other’s culture is crucial. There are no initial, historical relationships, therefore the learning process may help to create a stable, mutually comfortable ground for further partnership (Hussain, Ismail/Javed, 2017; Ali, 2014). Hun-Comp management has to consider the political risk also in the everyday operation in its subsidiary host countries and this leaves a mark on business relationships too (Shoukat/Gomez/Cheong 2017).

Besides the Asian subsidiaries Hun-Comp has several subsidies in the neighbouring countries. From the current research point of view, the subsidiaries based in Muslim majority countries are highlighted. Hun-Comp’s relationship with its subsidiaries’ is a „subsidiary role” (Rugman, 2009). The subsidiary role means that the subsidiaries job is mostly just to be in line with the HQ’s order and decisions. A strong central control is efficient regarding the industry requirements and the form of the competition within the market (Shah/Barker, 2017). The cultures – meeting in the current business setting – are not close to each other and the communication between them needs to be clear and simple. At the present stage of the partnership the role of the headquarter is essential. Centralized structure and rules support Hun-Comp’s in building stable business partnership.
8.4.2. Research method

The purpose of this paper is to study Hun-Comp’s CCM, in order to explore this complex topic content analysis of the company’s published documents seemed an appropriate choice. CCM is a definition not broadly shared, the related studies are strongly based on the context and the meanings are all understandable in that certain place and time (Chen, 2018; Tang, 2017; Stahl, et al., 2017; Denzin/Lincoln, 2011b: 188). Content analysis is an appropriate method to have a better understanding of the message a certain organization tries to convey and through this the position they aim to fill in (Xiao and Watson, 2017). Several documents have been coded in order to find the main messages and principles that the organizational culture tries to convey. The document analysis through the coding made it possible to see the whole picture. As a result of the coding, the essence of CCM became visible. First and foremost, it was important to find the common meanings and see the differences between the cultures as well as the headquarter and host countries. All the documents that were available for the public were analysed and coded. On Hun-Comp’s website all the online published documents were in English and in addition to these official documents the organization history and the documents regarding this, the subsidiaries were also included in the research. This was necessary in order to map up the official organization culture (Géring, 2015) and through this reach a better understanding of the CCM at Hun-Comp.
<table>
<thead>
<tr>
<th><strong>Coded data</strong></th>
<th><strong>Comment</strong></th>
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<tbody>
<tr>
<td><strong>Source</strong></td>
<td>company website</td>
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<tr>
<td></td>
<td>Comment: in 2016 Hun-Comp lunched its new strategy ‘Hun-Comp 2030’ therefore in 2017 several documents were added and others were updated. The documents published in 2017 were all included in the research since this were appropriate regarding the research;</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>2017.01.01-2017.12.20.</td>
</tr>
<tr>
<td></td>
<td>Comment: Hun-Comp official website – all the documents regarding the subsidiaries are uploaded here;</td>
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<tr>
<td><strong>Documents</strong></td>
<td>18</td>
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<tr>
<td></td>
<td>Comment: published documents by the company’s official website in English; (Appendix II.)</td>
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Analysing all the published documents of Hun-Comp in order to find the most commonly used words and to understand the meaning behind them, and have a better understanding of the main message. Besides the national cultures in order to understand Hun-Comp’s organizational culture the oil industry, and Hun-Comp’s position within it was also a factor that had to be considered to make the analyses in an integrated way. The following step was to compare this with the theories in the literature. Hun-Comp’s documents (Appendix II.) such as the Governance Code, Ethic and Compliance, Business Partner Code of Ethics, Fair Market Behaviour, Human Rights to be able to see and frame the organizational culture and the management style. It is important to see what is the written, or – in other words the official culture – that the company tries to convey. Any other subculture and not official culture built on this ground so these documents are the basics to understanding the official culture and the rules (Cherrstrom/Robbins/Bixby, 2016:5).
Through the eight steps of the content analysis (Table 1) it was possible to capture the organization culture and its main message (Archibald et al., 2015; Zhang/Widermuth; 2009). At the last round of coding there was a long list of codes so these had to be categorized for better understanding. Three steps of coding were manageable: I. basic codes, II. organizing codes, III. one overall global code. Through these three steps of coding, drawing a map was needed to visualize the outcomes and clarify the hierarchical order (Armborst, 2017:2; Attride-Stirling, 2001). With this approach, the values and messages the management tried to convey to the lower level of the organization (Figure 2).

1. Prepare the data: the documents are all downloadable from the company’s website. It consists of the company commitments, board of committees function and duties and the code of ethics. All are available in Hungarian and English in a pdf file. The texts are all clear, simple and understandable.

2. Define the unit of analysis: Each individual theme has been used as a unit. One idea or theme might be expressed in one single word while another might be in a sentence or in a paragraph. Dividing up the text happens according to the structure not according to the themes.

3. Develop categories and coding schemes: in the inductive way of the theories the categories were developed according to the contents of the documents:

   - Our company
   - General
   - Governance of the company
   - Code of ethics

The contents and the categories had been made after the first reading of the documents. There were several similarities and overlaps between the different sections of each document. The categories were built up according to the content discussed within the documents rather than the way the company built it up and published it on its website.
4. Test the coding scheme: the coding scheme had been changed many times and ever since new categories have appeared after rereading all the documents. In order to clarify and make it easy to map up the outcomes, the categories were merged or created but the process – creating categories according to the texts and its contents were not changed.

5. Code all the text: actual coding of the text, after all the data has been coded, the codes were grouped by similarities. Six ‘Basic code’ group have been developed by the similarity of the codes (Table 1).

6. Recheck the coding: in coding the last step was the map drawing. According to the map the codes had been checked several times so that it could be made sure about the rationality of process and structure.

7. Draw conclusion from the coded data: the similar nature codes have been merged and put into one category, this process has been made several times till the three top levels have been clarified.
### 8.5. Results

#### 4. Table Codes

<table>
<thead>
<tr>
<th>Codes</th>
<th>Basic code</th>
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<tbody>
<tr>
<td>transparency towards investors</td>
<td>transparency</td>
</tr>
<tr>
<td>ensuring planning processes</td>
<td></td>
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<tr>
<td>transparency in compensation</td>
<td></td>
</tr>
<tr>
<td>Central and Eastern Europe</td>
<td>local identity</td>
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<tr>
<td>leading Central European company</td>
<td></td>
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<tr>
<td>Hungarian-European</td>
<td></td>
</tr>
<tr>
<td>improving in international level</td>
<td>efficiency improvement</td>
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<tr>
<td>result-oriented manner</td>
<td></td>
</tr>
<tr>
<td>shareholders’ equality</td>
<td>equal treatment</td>
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<tr>
<td>equal treatment</td>
<td></td>
</tr>
<tr>
<td>independent directors</td>
<td></td>
</tr>
<tr>
<td>independent professionals</td>
<td>specialized professionals</td>
</tr>
<tr>
<td>economic/law background</td>
<td></td>
</tr>
<tr>
<td>appropriate professional background</td>
<td></td>
</tr>
<tr>
<td>international standards</td>
<td>standard knowledge</td>
</tr>
<tr>
<td>respect for governance standards</td>
<td></td>
</tr>
<tr>
<td>strict timing</td>
<td></td>
</tr>
<tr>
<td>agenda</td>
<td></td>
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<tr>
<td>well-defined</td>
<td></td>
</tr>
<tr>
<td>standardized systems</td>
<td></td>
</tr>
<tr>
<td>ethical standards</td>
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Source: own research result
Starting with the coding of all the company’s public codes, the information and the website helped to understand the main message Hun-Comp wanted to convey. The codes made it easy to see the main pillars the company communication stands on. The code definitions made it possible to put the different codes from different sources in one structured system and highlight the connections (Lacy, 2015:795-796; Saldana, 2013:46-47). Content analyse is similar to constant comptonization analyse, in current research for a better understanding this was crucial. Advancing the search, the coding was combined with analysing the cultural backgrounds of the country’s headquarters and the subsidiary host countries. Hungary and partner countries’ cultural differences and similarities as well as their CCM factor was also considered in order to keep the codes clear.
According to the content analyse coding results indicate that Hun-Comp is a regional – Central-East European – leading company which means it has its own standards and rules. In the documents the regional knowledge was highlighted. The way they manage their international relationships, their history and their limited access cannot be compared to any Western multinational enterprise. Hun-Comp tries to make their own road and not follow the paved path. Based on the studied documents the local existence and leading role in the region is crucial for the company, and their present and future strategy is heavily based on this fact. Not every multinational enterprise can efficiently manage at a global level, therefore, regional knowledge is needed, especially when the regional circumstances have many methods of differentiation from the World’s standards (Verbeke/Kano, 2016a). Different rules, different routines and different style of business management is followed by Hun-Comp. This attitude is conveyed in almost every single document they publish. Aside from many important factors, this study identifies two main pillars that Hun-Comp’s CCM is standing on: local knowledge and understating; crucial role of the leaders.

8.5.1.Local meaning of CCM
In accordance with the content analyse results it came clear that the regional identity is the most important (Figure 2), within this the local – Hungarian – is dominant. The company highlights the fact of the regional knowledge and the unique position they have. This position allows them to think differently (Chakravarty et al. 2017; Verbeke/Kano, 2016b). Hun-Comp and the whole image of the company focuses on the basics, they are not a Western superpower and not related to that (Brahim/Dubuch, 2016b). Hun-Comp is a Hungarian company which tries to build a strong relationship with the oil industry members. For example, Shell, being one of the largest companies, has a major impact on the oil and gas industry, Hun-Comp does not have the same influence but still manages to address crucial needs and successful international business. Despite the fact that they do not have a long history in the oil industry, the lack of strong partnership regarding business for decades, and the missing tools and practices to manage cultural differentiations within the organization all together gives a new start to the company. Every step towards a successful CCM is based on the present partnerships Hun-Comp has with the partner nations.
In the coded documents Hun-Comp places a strong emphasis on the Hungarian headquarter and the leading role it has in the region. Upstream sector includes exploration and production as its core activities links Hun-Comp to far distance, Muslim countries; the business relationship with them has been managed with this attitude too. Adler (2008c) highlights that both researcher and managers assumed that the American work ethics were universal. This assumption was leading the international business for decades. Also, in Hofstede’s research (1984b) he executed a large survey study including 64 countries and 117,000 IBM members. In this study one company’s members were studied but many national specific differences were highlighted. Even if a company is large and has a standard recruitment process to people with higher positions yet with the same skills, differences still exist regarding the values and interpretations. Hun-Comp follows the values that they agreed on within the company. The headquarter is based in Budapest and they convey their own values and business style toward their subsidiaries.

It is also stressed in each text that Hun-Comp is able to build up its organization culture and create their own CCM according to its own needs. Based on common practices, Hun-Comp stands on its rules and own standards. All the analysis documents highlight the fact that they have their own identity and way to manage their international business. Not mentioning the industry’s best practices only tailor-made solutions were listed based heavily on their present needs. Every company has its own values but the reason behind these values are differentiated (Schein, 2010a), Hun-Comp’s reason is their headquarter’s location and the regional specialities they find important to include in their organization culture. Studing the documents these reasons and values were the most crucial ones thus serving as a link to all the subpart of each document.

Creating the organization’s own, unique CCM can be the best advantage Hun-Comp has. The psychological negative emotional judgement in the former colonies still remain strong. This judgement is not only true for the Western cultures but also for the Asian empires, where the superior positions are still attached. History and the colonization movements are still in the culture and it appears even in business relationship (Kakar, 2017; Richardson/Yaapar/Low Abdullah, 2017). The fact that Hungary is not included in this group helps Hun-Comp find partners in Asia and Africa and also to be able to manage their business on the present needs, without any historical effects. Observing differences and managing these correctly during business cultural awareness is crucial but there is not only one way to do so.
8.5.2. Crucial role of leaders in CCM at Hun-Comp

In addition to the regional knowledge, the role of the leaders seems to be the second most important factor according to content analyse. Undoubtedly, one of the most crucial points is to have leaders who have skills in order to manage an organizational culture as a whole (Nicolic, et al., 2014; Toegel/Kilduff/Anand, 2013). The role of the managers and leaders are essential in building up the appropriate CCM. The leaders could be the forerunners of any change. The changing and the learning process should be started at the top and it should be promoted as an example to the lower levels. Since Hungary does not have the same statistics regarding immigration as the West European countries, and Hun-Comp does not have the same resources as the Western multinational companies. For this reason, the organization culture and the atmosphere will not be the same either (Poór, et al., 2015). In the oil and gas industry IPIECA (International Petroleum Industry Environmental Conservation Association) non-profit association member companies for example does not only operate but innovate, and focus on social impact too all together. Such companies are; Shell, British Petrol, OMV, and many American companies: Chevron, Exxon Mobil. The membership depends on many requirements that Hun-Comp at this point does not meet. It does not have that much impact but nevertheless is still one of the most successful companies in the industry for decades. Creating its own rules and standards can be a way to build up another CCM style that address their needs.

In the research it became clear that organization culture is made at the top and communicated down, it strengthens the low levels of the company and then changes and rejuvenates with time. The leaders can also keep control on the subcultures in the company and they can manipulate the direction too (Brett, 2018). According to the documents Hun-Comp enables the managers in order to address all the needs in their own team. In the documents it has been underlined that since Hun-Comp is managing business from afar, and dealing with the subsidiaries on a daily basis, they need to build up a strong and stable ground which is based on clear rules and standards. Shaping this in the future according to their own needs in order to serve their success and address their challenges regarding CCM. The results show that Hun-Comp’s rule creating, decision making processes are all about to have clearer, standardized systems (Figure 2). In order to make
it easier for the employees all around the world – to connect and have an overall view of all the necessary operations. Despite the world standard regarding giving autonomy to the subsidiaries as much as possible in Hun-Comp, this strictness is promoted in order to create a common ground for all the different subsidiaries as well as the headquarter.

8.6.Discussion

Standards and rules help build a common understanding and common language. The leaders’ job is to make the employees understand that there are more effective ways to deal with a certain process. Within an organization there are different people and their backgrounds, attitudes and mind-sets can be different from one another, but a brand, a company name and mission can bring them together in an efficient CCM (Selmer/Lauinger, 2016). Every culture has its own characteristics and they do not have to give them up and assimilate. Hun-Comp’s company culture consists of many rules and a strict style is conveyed in the documents. There is a strong belief in standard processes and transparency. The regional special knowledge and experience in business is highly required (Friesl/Silberzahn, 2017), mostly since Hun-Comp is specialized in the Central-East European market. The rules try to make the processes easier but it seems too complex. On the other hand, regarding CCM it builds up a structure and helps Hun-Comp members and shareholders have an overview on the actions and processes going on within the company. This involves that every member in the daily life of the whole company and engages them even from a far distance.

If we step back and look at the whole picture, we might see that the situation is a paradox. Since the rules, structure and the meaning of all the factors can be very different from each other amongst different cultures. Although the rules and common principles are important in order to build up a manageable multinational company, nevertheless, it still has to be highlighted that the rules and principles in one country may convey a certain message and in another country it may convey a different one (Chen, 2016; Means/Davey/Dewe, 2015). No amount of rules nor authority mean a more effective way to reach the best CCM for a certain company. The crucial point is to put an effort on the understanding process.
Besides the human factor, the structure of a multinational company is also a crucial point to analyze regarding CCM. The way an enterprise is framed and built up define the communication and information flow. It also gives a glance regarding the organizational culture, by looking at the hierarchy, the horizontal and vertical pillars of the organization tell the story of the whole company. From the organizational culture point of view, the company’s leadership is the most important focal point (Hernandez/Long/Sitkin, 2014). Hun-Comp’s members including managers, leaders and employees at every level are strictly selected, the Governance Code refers to professionalism and knowledge. The number of requirements are more and more as we go up the corporate leader. The laws and policies are stated in black and it gives a stable ground to stand on.

8.7. Conclusion

The message that Hun-Comp conveys through their documents, website and all online communication focus on the regional identity and crucial role of the leaders. From this perspective CCM at Hun-Comp is based on their strong local, Central-East Europe existence; and the hierarchy that conveys rules and standards they created for themselves based on their own needs. There is no overall truth and standard in CCM, therefore the focus might need to be shifted over in order to build a tailor-made strategy (Adler, 2008d). A company can highlight similarities among cultures that they operate in, thus, promoting these and making the differences fade away (Kaasa/Vadi/Varblane, 2013b; Fischer/Poortinga 2012). Hun-Comp gives a good example on how to highlight the cultural similarities and thus build a strong long-lasting relationship on these basic principles. Hun-Comp headquarter and subsidiary host countries’ culture might be different from each other (Hofstede, 1940c) but there are similar needs of their employees (Schein,2010b). Highlighting the common values can provide a good way to understand the differences and be more resilient towards each other within the company (Stoermer/Bader/Froese, 2016).
According to the documents at Hun-Comp, organizational culture builds on clear rules and give important roles to the leaders, thus having to address every upcoming need. Authority is not the best solution in every circumstance, even though the world trend shows it so. The current research shows that Hun-Comp creates their own processes and communicate their rules and also helps its partners to have a better understanding. Taking all this into consideration, we can say that Hun-Comp has a clear vision of the future. It is a way to build up a more robust relationship with the nations they have subsidiaries in (Li/Park/Selover, 2017). In Hun-Comp they highlight similarities and attract people with similar mind-sets. All the parties need clear, standard rules and processes, therefore Hun-Comp’s strict and standardized way of business management is mutually accepted and serves the company’s success. Hun-Comp, as a Hungarian multinational company follows its own path. CCM has a different meaning in the West and East part of Europe, so it can not be seen as they are the same. Since these words give the essential foundation to the efficiency of CCM than these are indeed the main focal points that have to be analysed and clarified before building up a strategy and starting a communication with other cultures. The rise of Hun-Comp shows that there is another road that can be taken instead of the paved path, a tailor made solution for unique challenges.

8.7.1. Further research
In Hun-Comp the new strategy the human side of the company has quite an important role. “Human capital” and “Community” are two of the six main pillars. In the last few years Hun-Comp has become more diverse regarding the employees’ background and nationality and therefore, plan to keep this ratio. In continuation with the research of understanding and mapping up Hun-Comp’s CCM, the next step would be to study the new strategy and highlight two pillars: Human Capital and Communities. The best way to accomplish these objectives is to do ethnography research (ER) within Hun-Comp, mainly focusing on the Pakistani subsidiary. This certain subsidiary will be highlighted in order to have a better understanding in the CCM challenges within the organization. The Pakistani subsidiary is the first one in Asia and the biggest one, therefore it is an appropriate choice to study it.
8.7.2. Limitations

This research has a number of limitations. One limitation is the fact that the sample consists of only one company. This company is not a representative of the whole CCM in Hungary but as an initial step it helps to start a discussion of the many ways CCM is understood. The goal of the current paper is to indirectly contribute to a clarification of the Hungarian peculiarity for future international comparative studies. The other limitation is to have a better understanding of a certain company from a cultural perspective where more research is needed. Addressing this ethnography research is planned as a next step, in order to highlight the deep structure through the individual meaning within the company.
9. Third Paper: Implementing language mandates: English as lingua franca in a Hungarian multinational company

9.1. Abstract

This article analyzes the implementation of English as a lingua franca, and the way it induces the power relations within a company, through the example of a Hungarian multinational. Specifically, the article contributes to the field of language-based international management. Semi-structured, in-depth interviews were conducted with 11 company members, and grounded theory was used for data analyses. Findings shows how a common language can be seen as source of power and raises challenges, especially when the chosen lingua franca is not the headquarters’ language. The absence of initial support processes can cause the loss of shared values and common company goals.

Keywords: Central-East Europe, language policies, English as lingua franca, international management, grounded theory
9.2. Introduction

In this paper, the goal is to study the effect of English as a lingua franca (ELF) on the power relationships at a Hungarian multinational company. The language change process has been analyzed and highlights the unique challenge it raises in a Hungarian multinational. The common language is English, and since it is considered to be neutral – neither the headquarters’ nor the subsidiaries’ language – it brings a new perspective to language shifting in the studied company (Hun-Comp). A Hungarian, Central-Eastern European company has to face unique challenges regarding cross-cultural management (CCM), especially in the case of intercultural communication or language management (Stark/Bruszt, 2001; Meyer/Peng, 2005; Tenzer, Terjesen/Harzing, 2017; Karhunen, et al., 2018; Alt/Saplacan, 2019). The studied Hungarian multinational company creates many new challenges by choosing ELF. Becoming multinational, and supporting this with a well-known language serves the company’s strategy, but in short term creates difficulties that the existing best practices could not address (Sanden/Lønsmann, 2018).

Hun-Comp (pseudonym) is a member of the oil and gas industry operating in Europe, the Middle East and Africa. Due to its operations mobility is frequent, the inpatriates working on an international project are located at the headquarters for at least 8 months and up to 3 years, the engineers are working on 5-month rotations between one of the subsidiaries and the headquarters. Most of the employees based at the headquarters have been relocated for at least one short-term – 8-month – project. At Hun-Comp it was crucial to create a standard language that is not only used among the subsidiaries but also at the headquarters, so to facilitate employee collaboration across cultures, reduce linguistic boundaries, to help so meaningful communication occurs, and to ensure understanding and knowledge sharing (Marschan/Welch/Welch, 1997, Charles/Marschan-Piekkari, 2002; Charles, 2007; Brannen/Doz, 2012; Éltető/Udvari, 2019; Kemppainen/Holden, 2020). In order to harmonize each type of communication, ELF seemed to be the best solution.
The headquarters’ language, Hungarian, is not spoken broadly around the world; it seemed rather challenging for the subsidiaries to use it, and it is not efficient in daily communication between multiple parties with different national languages. The Hungarian language is spoken by a total of 14.5 million people, of which 4 million people speak it outside of Hungary, mostly in the surrounding countries (Fenyvesi 2005). In 2013, a new strategy was implemented and English had been chosen as the official organizational language. Despite the fact that English is one of the most widely taught foreign languages in Hungary, it creates many challenges. According to Eurostat 2019 statistics, in Hungary, more than 42% of the population aged 25-64 speak at least one foreign language, mainly English. The English language is used at a higher level at multinational organizations, but employees feel less confident as it is challenging to use English in their professional life as their official working language. The language asymmetry between speakers of English at the subsidiaries and headquarters affects the power balance within Hun-Comp. The current paper focus on the dynamics of the lingua franca usage, the reason of these, and the way these change the power structure.

9.3. Literature review

Despite the obvious practical benefits, such as new opportunities for networking within the company or easing up communication, ELF has many disadvantages (Beeler/Lecomte 2017; Bousebaa/Tienari, 2019). Sanden (2020) highlights that ELF may have unforeseen implications and consequences, and it can bring a range of unanticipated problems. Excluding different ways of language-speaking can create conditions that can be used as a source of power. Based on Griffin and O’Leary-Kelly’s definition, the “dark side of the organizational life” (2004) has been applied to the language issue as well. Most of the issues are invisible for managers and these can cause damage to cross-cultural collaboration (Neeley/Hinds/Cramton, 2012). On one hand, linguistic hegemony, a standard language, can be a chance to contribute in a discussion by empowering employees with a certain proficiency level in a certain language. Furthermore, it helps the employees to understand the shared values, and helps the management to have ‘informal control’ (Marschan/Welch/Welch, 1997:592) over the entire company, especially the subsidiaries. On the other hand, one standard language can silence the less proficient speakers (Vaara et al., 2005; Lauring/Klitmøller, 2015; Woo/Giles, 2017).
Beeler and Lecomte (2017) differentiate two main forms of the ‘dark side of language’ (2017:56): (1) linguistic hegemony and (2) in-group behavior based on language. The first is discussing linguistically skilled speakers’ power and the disproportionate dominance of them on meeting agendas and decision-making processes (Andersen/Rasmussen, 2004). This effect decreases the influence of others and highlights the ones that have fluency in certain languages. In a group dynamic, it can activate dormant faultlines, and indirectly harm the effectiveness (Hinds/Neely/Cramton, 2014). The second form of language’s dark side is highlighting the fact that people within a group will bond based on a common language. It can encourage the creation of informal relationships based on the members’ common language, (Marschan/Welch/Welch, 1997), and indirectly exclude the ones with different language skills, or the ones speaking the official organizational language. This process can divide a group, effect trust formation, and cause marginalization (Tenzer/Pudelco/Harzing, 2014). Language choice is too complex and heavily based on the context, skill and willingness of the individual; therefore, it is more the result of an ad hoc situation than official language policies (Cordeiro, 2017; Komori-Glatz, 2018).

Bjørge and Whittaker (2014) highlight that choosing ELF creates a level of stress. The level of language knowledge will determine the access to information, consequently influencing the power of an employee within the organization. It might differ from their organizational power, and it might create even more stress, for example, in those, whose organizational power is devaluated due to his/her poor English language skills. Neeley (2012) highlights when some people cannot express themselves properly, they do not feel as intelligent, which may create an inconvenience when tasks should be given and feedback is needed. Also, there is a hidden cost: people with a lower level of language proficiency spend more time with the same task, e.g., producing a document in a language which they are not fluent in. The existence of differences in language skills creates language clusters, which means that some people will avoid communication with those whose language proficiency is far above theirs (Fredriksson/Barner-Rasmussen/Piekkari, 2006; Kankaanranta/Louhiala-Salminen, 2013; Ristino/Michalak/Małgorzata, 2018).
While in some countries most people learn a good level of English from an early age, they still fail to understand the nuances of the language. Bjørge and Whittaker (2014) insist that a good command of English does not solve all problems. Humor, symbolism, cultural connotations (e.g. cultural references, not so common sayings, hints from children’s literature or internationally not well-known local literature, slang, idioms and metaphors), abbreviations, persuasions, and negotiation might be a source of misunderstanding or a lack of full understanding (Hajro/Pudelko, 2010; Vigier/Spencer-Oatey, 2017). Still, inadequate language skills lead to a glass ceiling: a person with good professional knowledge might not be able to reach higher-level jobs, as his/her communication skills fail to meet expectations. Native speakers (with mysterious expressions) leas to unequal participation in meetings. Accent or education might make the whole communication even more difficult; some people that have a different native language, yet their education was pursued in the chosen lingua franca, will almost always have the same advantage as native speakers (Gaibrois, 2018).

Logemann and Piekkari (2015) find that shifting from one language to another within an organization also means the shift of power positions. Often, managers or employees in charge cannot make a big impact on a certain project because of the language barriers (Neeley, 2013; Bjørge/Whittaker, 2014). In other cases, some individuals can gain more power through their language skill than their formal position would indicate (Marschan-Piekkari/Welch/Welch.,1999). In Hun-Comp headquarters, there are more difficulties regarding ELF than in the subsidiaries, this fact effects the company member’s impact. It can be challenging for many non-native English speaker professionals that are less fluent to perform at the same level using a second language as they did by using their mother tongue (Clément, 1980; Clément /Kruidenier, 1885; Vaara, et al., 2005; Bouquet/Birkinshaw, 2008; Joyce, Vince/Marton, 2016). In the long term, ELF can give an equal chance to all members, and improve the organization’s overall communication (Erjavec/Arsenijević/Starc, 2018; Dahms, 2019). However, in the short term, the limited language knowledge makes efficiency decrease. This fall in performance can be threatening to some company members (Selmer/Lauring, 2014; Sajfert, et. al, 2017; Smokrović et. al, 2019), especially at the manager level (Marschan-Piekkari/Welch/Welch.,1999; Beeler/Lecomte, 2017).
9.4. Methodology

9.4.1. Short introduction of the company

An overview of the company and local specialties had to be considered in order to understand the language changing process. In the research, the goal was to choose a non-Western, preferably Hungarian company that operates over a far distance and has subsidiaries on another continent, so that cross-cultural management would have an important role in their daily business life. Hun-Comp is considered one of the biggest multinational companies in the Central-Eastern European region. Through this company’s headquarters – placed in Budapest, Hungary – and its subsidiaries, cross-cultural challenges have been analyzed. This firm includes all the criteria that is important from the point of my research: (1) the location is Hungary: it is a Central-Eastern European company; (2) from its size and countries of operation, it is considered a multinational enterprise; (3) for more than a decade, it has been operating in several countries all over Asia, Europe and North-Africa.

Hun-Comp operates in the oil and gas industry and is recognized as the leading regional company in Central-Eastern Europe. Hun-Comp deals with upstream (exploration and production), and downstream (refining and petrochemicals) gasoline production, and also business innovation and services (retail and mobility). Language policy is communicated by the headquarters to the subsidiaries, but in the case of Hun-Comp this process is much more challenging. Most of the barriers regarding the language changing process was at the headquarters. It seems difficult for Hungarian employees to use English in their daily working life, no matter whom they are talking with.
9.4.2. Research method

Semi-structured, face to face, in-depth interviews were conducted. The advantage of a semi-structured interview lies in its possibility for opening up for descriptive answers, and in the current research this was prioritized. These aspects enable researchers to better understand the cross-cultural challenge in communication, language and any other matter, which also allows for follow up on emerging topics given by the interviewees (Wilmot, 2017; Charmaz, 1996). Despite the questions that are raised by the interviewer, the interviewee has a chance to include other topics that are also considered important. This gives much more complete research, flexibility for modifications that was necessary in the current research. Also, it gives the chance to gain more information than would have been possible with the questions that had initially been planned ahead of time.

In the current paper, grounded theory has been used for data analysis, qualitative research strategy, and interviews as a source of data collection. Grounded theory is a research method that offers a comprehensive and systematic framework for inductively building a theory (Bryman, 2004:401). It is developed and verified through systematic data collection and analysis of data of a particular phenomenon (Strauss/Corbin, 1990; Douglas, 2003; Jones/Noble, 2007). The qualitative method provides flexibility to tailor the method to certain circumstances; also, its sensitivity helps to not ignore any crucial topic brought up by the interviewees, or feelings and reactions shown by them that might have important meaning regarding the research (Kuada, 2012:94). Furthermore, the qualitative method is reasonable, since it serves for a better understanding of unstructured data. This approach allows the researcher to peruse the most interesting and relevant material by shaping and altering the data collection, and aiming for further theory development (Charmaz, 1996).
9.4.3. Profile of interview participants

Within Hun-Comp, one business unit and two departments were included: (1) the upstream sector (exploration and production business unit), (2) the media and communication (MC) department and (3) the human resources (HR) department. In these departments and this business unit, inpatriates and local staff were included too (Appendix I). Due to initial research these parts of the company were involved in the cross-cultural management challenges in a daily basis. (1) The upstream sector of Hun-Comp is where they manage the core product. Within this business unit Hun-Comp has subsidiaries in 8 countries. Although the other business units are also international, this one includes the far distance subsidiaries; therefore, the cross-cultural challenges are the most evident here. Eleven interviewees were chosen all together. From the upstream sector six interviewees were included in the research, four engineers working at the headquarters and in the subsidiaries at the same time, in constant rotation every 5 months; and two inpatriates from the subsidiaries working as project managers. (2) The MC department was also important, one interviewee was asked from this department, since MC is dealing with all types of organization communication, including external and internal, for instance public relations and all sorts of media. (3) Four interviewees were from the HR department, since the organizational culture related challenges were addressed here; also, many language related complaints were managed here. The HR members were crucial to interview in order to gain a better understanding of the process the complaints are about. Collecting information from a member of this department helped to see the main borders and opportunities that the language may create in the culture. Other departments and business pillars were not included in the current research since they were remotely related to the subsidiaries.
9.4.4. Research process

8. Figure Research process

Identifying members working in international projects; connected to the subsidiaries; have daily communication with the subsidiaries.

According to the interviews with the upstream members HR department were interviewed to have a better overview to ELF related challenges companywide.

MC department manage the overall communication. Beside ELF in the daily work life, the official communication had to be understood too, so to have an overview to the company headquarters’ strategy regarding communication.
9.4.5. Data analysis

In the current paper, focus coding and constant comparison techniques of data analysis have been applied as the model of grounded theory. Focus coding helps to capture data by creating active and brief codes. Having an active code makes it possible to reflect on what is happening and how people act, and keeping the codes brief makes it easy to review them (Charmaz, 1996:40-42). The concept of constant comparison refers to the process of maintaining connection between data and conceptualization, so that the correspondence between concepts and categories is not lost (Bryman, 2004:403). After conducting each interview, reading the interview transcript, the data has been divided to smaller parts in order to highlight the meaning of each part. Then the different parts have been labelled and coded. These codes were compared with each new part of the data with previous codes, so previous pieces have been labelled with the same title or code. After all the parts and all the interview transcripts were coded, the codes were grouped by similarities and themes. By the end of the coding, three groups were differentiated, and these are the concepts (Table 1.).

5. Table Summary of Codes and Concepts

<table>
<thead>
<tr>
<th>Code</th>
<th>Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>alienated</td>
<td>Being excluded</td>
</tr>
<tr>
<td>self-preservation</td>
<td></td>
</tr>
<tr>
<td>no support</td>
<td></td>
</tr>
<tr>
<td>language</td>
<td></td>
</tr>
<tr>
<td>cultural awareness</td>
<td>Awareness-raising is important</td>
</tr>
<tr>
<td>diversity</td>
<td></td>
</tr>
<tr>
<td>top-down action</td>
<td>Crucial role of managers</td>
</tr>
<tr>
<td>good examples</td>
<td></td>
</tr>
<tr>
<td>clear strategy</td>
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</table>
The three different groups give the whole research a structure, and highlight the main topics that can be linked directly to the ELF at Hun-Comp. This coding system gave the analytical base to understand and interpret the experiences of the company members regarding the language changing process. First, the ‘Being excluded’ concept includes all the codes that refer to the challenges and difficulties the employees face at Hun-Comp. Second, the ‘Awareness-raising is important’ concept that refers to the code that collects all the necessary topics that have to be highlighted and have to be addressed in the company’s overall strategy, according to the interviewees. Third, the ‘Crucial role of managers’ concept refers to the role of leaders and managers. The interviewees mention good and bad example of the attitude and behavior managers have. The interviewees emphasized that more pragmatic rules are needed, according to them, at Hun-Comp; so far, only the top-down strict rules were successful. This is especially important since the managers will not be able to skip them, and they have to be in line with these rules.

9.4.6.Ethical issues
In order to achieve confidentiality, anonymity, honesty and respect for all participants, the rationale of the study was explained to the interviewees. Furthermore, participation in the study was on a voluntary basis. Written consents were sent to those who volunteered to participate in the study. Interview transcripts and documents were treated in a way that protected the confidentiality and anonymity of the interviewees.
9.5. Results

6. Table Text-Code-Concept

<table>
<thead>
<tr>
<th>Text</th>
<th>Code</th>
<th>Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>[...] and one of the Russian colleagues came to me and she broke this topic. She is a very talented, young engineer. She said sometimes her colleagues are all speaking only Hungarian [...] and then even in the email she was copied in, it was in Hungarian, she doesn’t understand. She received an email in Hungarian. (No1)</td>
<td></td>
<td>alienated</td>
</tr>
<tr>
<td>[...] there is six people and one foreigner the six people are talking and laughing and the foreigner don't understand, even for five minutes, it seems a long time. It sets the mood to the meeting too since you already excluded me. (No10)</td>
<td></td>
<td>Being excluded</td>
</tr>
<tr>
<td>I was here 6 months and nobody came and said hi to me. [...] All of these small things they kind of add up, the end you feel complete alien. (No10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will not be part of the atmosphere, and I will not be part of the group. (No8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If you hear your name even in the innocent way it might make you feel bad. (No1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[...] This happened once, twice, the third time I told him privately, separately I don’t want to stop you in front of a junior colleague but if you are talking about work even if it is his assignment you have to speak English since I don’t understand. (No10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I don’t mind the colleague who cannot speak but it is offensive that you can and you won’t. (No8)</td>
<td></td>
<td></td>
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<tr>
<td>Working is not only about working and meeting, but work is about if you meet someone in the corridor and they update you. I never have an update because you speak to him in Hungarian. […] (No10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am here alone I don’t want to be miserable. (No3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>You don’t need to create problems for yourself. What is the word: self-preservation. (No8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>They are not open to foreigners. They feel this because the political situation. They feel like you take their place. (No10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We are working with lots of unconscious distracting and unintentionally do mistakes. (No1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As I see HR is not working properly, it struggles and not because of the communication. (No11)</td>
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<td></td>
</tr>
<tr>
<td>HR there does not have any clear strategy, that the company member can rely on. (No7)</td>
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</tr>
<tr>
<td>[…] it just happened that everything became international and everyone started to speak English, the mailing was in English and the meetings were all held in English. […] it has been told that everything is in English from now on and it was English since then. (No11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthy relationship that is the language. (No1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Language</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What my colleagues are experiencing here – that it is worth mentioning – is that English is the official language. (No7).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Language</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Well language. […] It is not important enough I realized. Which also creates troubles and barriers. (No1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inclusion is important (No4)</td>
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<tr>
<td>They accept me with my culture, they don't try to change me or push something on me. (No3)</td>
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<td></td>
</tr>
<tr>
<td>Cultural awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural inclusion and cultural diversity. (No4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inclusion as a culture. (No1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have lived in Canada before so it was not about I was not lived abroad. (No10)</td>
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<td></td>
</tr>
<tr>
<td>Diversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are Europeans and non-Europeans also, especially in the upstream. (No11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>With your colleagues you are not looking to be friends but you are looking to have a healthy relationship. (No10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability is about how much they want to come and how much they want to help you, and not looking up or down at you. (No9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a common ground in cultures. (No5)</td>
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</tr>
</tbody>
</table>
English is the official language. I am a foreigner, and I am in a department where everybody speaks English because the boss is kind of speaking English, but in other departments, where the colleagues are Hungarian, some experts are foreigners, so it is not always respected and they feel a bit excluded. (No1)

The most important is the understanding, but you know when it is going down it is harder. (No4)

Exposure, it needs to come now and it is top-down thing. (No3)

This is cultural something which comes from the management. Inclusion need to come from the top. (No2)

The Hungarian speakers are sitting in the same room and speaking Hungarian with each other, and the others, Croatians and Romanians, can only wonder. This should change. (No3)

In 2013 at Hun-Comp there was a program, it said the official language is English, so everything became English (No11)

As a senior colleague we need to show example, especially in the international environment. (No9)

The managers they were smart enough they integrated themselves. (No5)

I don’t ask the others what my manager said after the meeting. He knew I don’t speak English. (No8)
The Hungarian come to Pakistan the managing director, the CFOs they integrated [...] In all my carrier in Pakistan we were pretty isolated. (No10)

<table>
<thead>
<tr>
<th>I would suggest diversity to begin with. If there is no diversity it is a job of the bosses to ask the people to speak in English. I know it sounds regimented but you need to be reminded. (No1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you get used to you will get comfortable, but also the unknown kills you, and you are afraid of; the known is ok. (No7)</td>
</tr>
<tr>
<td>Let them know that the pool will include foreigners. In my experience we are better if we know what will come. (No1)</td>
</tr>
<tr>
<td>clear strategy</td>
</tr>
</tbody>
</table>
9.6. Discussion

9.6.1. Being excluded

At Hun-Comp the interviewed employees do not feel that they can communicate with everyone freely. They feel alienated and disempowered since they feel that they do not have all the necessary information in time or at all. In order to be part of the community and perform well fluent communication is crucial. Local staff have an advantage since the majority is Hungarian at the headquarters, and they speak Hungarian among each other. According to the Hungarian interviewees, it is strange to use English in the communication, and therefore, the Hungarian language is preferred. The non-Hungarian project manager (No10) see this matter quite differently:

“Working is not only about working and meeting, but work is about if you meet someone in the corridor and they update you. I never have an update because you speak to him in Hungarian. And I refuse to ask him what did you say after you left. It’s bringing me down to a position I am not ok with. I asked him this 3 times and he still wouldn’t”.

The project manager (No10) gives example of non-work situations, which supports work. So, when communication is in Hungarian and it is not directly connected to work, it still has an effect on the job, and in some cases, it also means that work cannot be done effectively (Selmer/Lauring, 2014; Ahmed/Widén, 2018). Minor issues supporting work are communicated in small talk during work, not directly as orders.

A crucial part of professional discussions happen in informal settings. Information regarding a certain project are communicated and discussions during the lunches or coffee breaks, or in the corridor while passing by each others’ offices. The interviewees mentioned situations where they tried to discuss this matter with Hungarian colleagues about using English in all communication. Despite asking, no change appeared in their behavior, and there are situations where a Hungarian-speaking colleague does not use English, not even in official settings like meetings or interviews. These actions and negative experiences have led Hungarian employees to develop coping strategies such as avoiding situations where English as a corporate language has to be used (Marschan/Welch/Welch, 1997). The non-Hungarian colleagues’ initiation is not successful. Verbal professional relationships are affected by this attitude (Zhang, 2018).
During the meetings, a feeling of exclusion and a negative atmosphere is created due to the initial small talk happening right before the actual meeting (as reported by one of the non-Hungarian project managers, No10):

“It is a small thing, but still. The meeting is beginning and it is an off time and you can talk about whatever you talk about and there is six people and one foreigner the six people are talking and laughing and the foreigner don't understand, even for five minutes, it seems a long time. It sets the mood to the meeting too since you already excluded me”.

The company is divided up into two groups – Hungarians and non-Hungarians – and these are separated from each other. The employees contact others that they see facing the same challenges. In the context of language, the individual socializing within a workplace has been created through the linguistic background (Hinds/Neely/Cramton, 2014). In the case of Hun-Comp, there are many nationalities, but not in big groups. However, the gap between Hungarian as a national language and non-Hungarian languages as a whole still exists. In official settings, these challenges are part of the daily work, and cause a negative atmosphere, a sense of exclusion, which can polarize the group. One example from a non-Hungarian manager (No1) demonstrates this gap very well:

“[…] and one of the Russian colleagues came to me and she broke this topic. She is a very talented, young engineer. She said sometimes her colleagues are all speaking only Hungarian […] and then even in the email she was copied in, it was in Hungarian, she doesn’t understand. She received an email in Hungarian”.

Certain attitudes to language use and identity issues have an impact on personal relationships, creates a negative atmosphere which can also lead to negative categorization, and results even passive behavior such as communication avoidance (Marschan/Welch/Welch, 1997; Rogerson Revell, 2007; Gaibrois, 2018). These attitudes cause the opposite of the initiation of the common language; these can divide the company members into groups of similar-minded people (Cohen/Kassis-Henderson, 2017).

When English was introduced as a lingua franca at Hun-Comp, supportive processes were not built into their practices. Linguistic issues change organizational culture, not only the social or professional interactions (Tange/Lauring, 2009, Sanden, 2020). According to the interviewees, it did not seem necessary to support the change process. The communication with the subsidiaries had been in English before the official language
changes, therefore it made the existing process official. The realization of necessary support happened after the process of change. One of the Hungarian managers (No11), referred to the 2013 Hun-Comp strategy as a big shift from being local to going global:

“[…] it just happened that everything became international and everyone started to speak English, the mailing was in English and the meetings were all held in English. […] it has been told that everything is in English from now on and it was English since then”.

While the Hungarian managers reported that everything is done in English, in reality those employees who cannot speak Hungarian, could eventually point out many instances when English was not used.

9.6.2. Awareness-raising is important

The marginalization of people and polarizations of work teams have a negative impact on knowledge sharing. The fear to contribute in a certain meeting or project comes from the fear of losing face due to pronunciation errors or lack of vocabulary. Every non-native English speaker has a certain level of insecurity. Simultaneously, the actual importance of the person’s level of proficiency is vastly overestimated (Charles, 2007; Lauring/Selmer, 2010; Bjørge/Whittaker, 2014). According to Cohen and Kassis-Herderson’s (2017) study, excellent proficiency in a language is less important than wider metacognitive skills. These abilities can be developed by multicultural experiences, “particularly experiences that disconfirms expectations” (2017:14; Rosenblatt/Worthley/MacNab, 2013:374). It would be reasonable to assume that communication in one’s everyday work life with colleagues should be possible and easy for every individual in a multinational company operating at a far distance. This way the atmosphere can be positive and understanding, so within the company every member can contribute, regardless to the level of his or her English knowledge (Kankaanranta/Louhiala-Salminen, 2013).
Intergroup tension rises because of differencing members’ influence, or by their knowledge of the language used by the manager or majority of the group members. As a result, this can cause marginalization, and therefore, can make members not feel that they have equal status within a group. A Hungarian senior member (No9) highlighted that diversity has to be supported and promoted at every level: “Ability is about how much they want to come and how much they want to help you, and not looking up or down at you”. Inequality can put the collaboration at risk, which is needed to achieve shared goals, and knowledge sharing (Lønsmann, 2017). Soft aspects of social processes, such as respect and personal relations, have a crucial role in the successful implementation of a project. Socializing is an important part of company culture, since it effects corporate professional relationships (Lauring/Klitmøller, 2015; Ristino/Michalak/Małgorzata, 2018).

Changing to ELF is challenging since it needs more effort to manage the same task, while still trying to meet the same deadlines and manage the same projects. These facts can lead to incorrect interpretations and cause stress within a company, which makes it challenging to serve the long-term strategy. Hajro and Pudelko (2010) highlight the importance of cross-cultural awareness, motivation and knowledge of a foreign language, which can support the shifting process. “There is a common ground in cultures” one of the Hungarian engineers (No5) opined. Another Hungarian engineer mentioned that some of the members at the headquarters needed to be reminded frequently that English is the official language: “What my colleagues are experiencing here – that it is worth mentioning – is that English is the official language” (No7). Company members consider it challenging to adapt ELF from one day to the next. It slows down the processes, and needs more time and consideration from them in each task they are responsible for.

Language policy created by the company and communicated by the HR within the company at Hun-Comp supports long-term strategic goals and does not necessarily make the daily working life immediately easier (Sanden/Lønsmann, 2018). It is challenging for its members to evolve and to accept this language policy, according to the interviewees supporting processes and rising awareness should be part of the strategy.
9.6.3. Crucial role of managers

Shifting from one language to another is a top-down strategy and therefore the challenges regarding this project have to be addressed by the managers (Vigier/Spencer-Oatey, 2017). Each manager values this responsibility at Hun-Comp differently.

“[…] English is the official language. I am a foreigner, and I am in a department where everybody speaks English because the boss is kind of speaking English, but in other departments, where the colleagues are Hungarian, some experts are foreigners, so it is not always respected and they feel a bit excluded”.

The non-Hungarian manager (No1) highlights the situation of the department, which is led by an international manager who does not speak Hungarian, where the atmosphere has been changed. More English is spoken. In contrast with the other departments, where the manager is Hungarian, and a few non-Hungarian experts work in different positions. English in the daily business life is not usual there. “The Hungarian speakers are sitting in the same room and speaking Hungarian with each other, and the others, Croatians and Romanians, can only wonder. This should change.” added by the non-Hungarian manager (No3). Use of the official language widens the gap between the Hungarian and non-Hungarian employees. While the inpatriates have a positive attitude towards the changing process, the Hungarian speaking local employees are not as open to it, at the same level. This different attitude creates a barrier at the management level as well as the lower level of the company.

The lack of communication and sociolinguistic competence that comes from the level of a certain language knowledge means risk to the manager of losing face and creates a challenging situation for them. This leads to negative attitudes from both sides, manager and employee, and makes gaining trust even more difficult (Tenzer/Pudelco/Harzing, 2014; Woo/Giles, 2017). Adopting a new language, changing the existing routines and creating new standards in the everyday work places a new responsibility onto managers (Logemann/Piekkari, 2015). Despite the new strategy in 2013, there are still managers finding it challenging to use English language:
“It even happened with my bosses, my previous boss. I was sitting with a colleague and he was young, maybe fresh graduate. He was very open, and spoke in English; the young generation is very open. So, my boss came and he started to talk to him in Hungarian. This happened once, twice, the third time I told him privately, separately I don’t want to stop you in front of a junior colleague but if you are talking about work even if it is his assignment you have to speak English since I don’t understand”.

The above is a non-Hungarian project manager (No10) expressing their dissatisfaction with the boss, whom the interviewee later told that in order to work effectively, more communication in English is needed. This example highlights that language is connected to power and avoiding communication simply shows the existence of shadow hierarchies along language lines (Marschan-PiekkarWelchWelch.,1999; Lønsmann, 2017; Sajfert, et. al, 2017; ErjavecArsenijevićStarc, 2018).

The interviewee mentioned a situation that’s not only excluding, but also creates a negative example in front of the newcomer. The interviewee pointed out that the lack of language skills of the manager might be because of speaking only Hungarian, even if the newcomer in this case was fluent in English. In order to not be evaluated negatively based on their lack of ability in English, the manager avoided using the common language, so for the interviewee it became clear that the manager was not fluent in English, and there was a lack of trying to include the interviewee. In maintaining not only a certain negative attitude, but also in strengthening it, such behavior can cause the failure of the shifting process (NeeleyHindsCramton, 2012; Neeley 2012).

A certain language within the organization, and the managers’ attitude about this, can most definitely influence the dynamics of the manager-employee relationship (WooGiles, 2017). Using a language has an impact on the relationships between group members and their relationship with the manager, and can affect their acceptance by the group (Zhang, 2018). Managers are not only responsible for setting directions and goals at the workplace, but also in the phase of implementation of any teamwork. A non-Hungarian project manager (No8) said: “I don’t ask the others what my manager said after the meeting. He knew I don’t speak English”. This project manager (No8) also emphasized that the manager’s behavior makes him/her lose power. Having to ask everyone for of all the necessary information again after a meeting or discussion seems
to condone this behavior. The domination of this attitude and behavior jeopardizes team cohesion. Managers not only lead, but are also a part of a team, and their behavior as a team member undeniably expresses a certain type of attitude. If the managers discuss certain details with the Hungarian employees and then only share a part of it with the non-Hungarian employees, it then conveys a special bond, creates an inner-circle, and makes others feel as out-group members.

The three concepts together show that power and position at Hun-Comp are not in line with their language skills, and it makes the adaptation challenging (Beeler/Lecomte, 2017). At Hun-Comp, as a Hungarian multinational company, ELF is not only a change for the subsidiaries, but it is a great shift for the headquarters. English is not the headquarters’ language, and is not spoken fluently by all of the members. The reason for avoiding the use of English, and excluding the co-workers fluent in the official language, is not just a matter of language proficiency, but more of the control and power structure changes. The local Hun-Comp members assume they have to give up control over their projects by not using their own native language, but a secondary language; it causes a ‘reallocation of power’ (Sanden, 2020). Fluency in English is a marginal point, since with more confident language skills, the management of projects would be easier, but the hidden reason of losing control and power seems stronger. The subsidiary members who speak English fluently may gain more influence than they would have had under normal circumstances (Vaara, et al., 2005).

Language barriers have been seen as a risk that can jeopardize one’s position or influence (Woo/Giles, 2017). In the subsidiaries, English is more common and well-spoken than it is in the headquarters. In the biggest subsidiary, which is in Pakistan, English is one of the languages they learn in addition to their mother tongue. According to their history, English has been dominant in higher education for decades. Being a colony of the British Empire, the English language became the second most spoken language within the country. Most professionals speak English fluently. These differences can also create a negative attitude in the headquarters, since the power-structure and the language fluency are not in balance. Most projects are managed in the headquarters, and the subsidiaries are mostly responsible for delivering sub-tasks; with ELF, these dynamics are not the
same. It is not only the language challenge, but the fact that subsidiary members are more fluent English speakers than the Hun-Comp members at the headquarters. The subsidiary members can have more affect on each project, they may perform better due to their language skill and the headquarters members are finding this difficult. They feel left behind, with less fluent English language losing face and perform worse or need more time and support than they would using their mother tongue (Vaara, et al., 2005; Neeley/Hinds/Cramton, 2012; Kankaanranta/Louhiala-Salminen, 2013; Lønsmann, 2017).

The interviewees highlighted that supporting processes such as raising cultural awareness, and having diversity within project teams, is needed for ELF project implementation (Karhunen et al., 2018). Understanding the cultural differences and accepting them can create inclusion, and this can give a foundation for a successful ELF project. Also, the importance of rules were mentioned several times during the interviews. According to the Hun-Comp members, only pragmatic, top-down actions are successful at the company. Rules regarding diversity and inclusion can create transparency, support common goals and give equal rights to all the members. The managers and employees, regardless of their position, have to be in line with the rules within the company; this is why it is necessary, highlighted by the interviewees. Then attitude of the managers shows an example, and either helps the adaptation, or creates gaps between the employees. According to the company members initially, long-term strategy of ELF has to be more explicit and putted in action. This way it will remind the members that ELF can support reaching the common goals.
9.7. Conclusion

In this article the focus was on Hun-Comp, a Hungarian multinational company using English as the official organizational language. The Hungarian language is little used in the international arena, therefore a common language, mainly ELF supposed to help the members with the different communication processes, shape their behavior and share knowledge and ideas. Despite the initial goals of the ELF project, at the headquarters due to the new organizational language a loss of some control over the subsidiaries seems to occur. Since 2013 the ELF project implementation is struggling, not just because of the lack of the members’ English language knowledge, but because of the power restructuring it is causing. In the Hun-Comp case, it is not the headquarters’ language that has been spread to the subsidiary, but another, outside language that is used as the official organizational language, and it is spoken more fluently by the subsidiary members. Therefore, ELF is identified as a risk that can break the dynamic of the existing power-structure. At Hun-Comp, cultural awareness and diversity within teams is needed; first, in order to understand differences between the cultures and languages, and secondly, to see these differences as a neutral fact, and not as a source of power or as a risk of losing control. This can give a foundation for using ELF without causing a gap because of the feeling of positions being jeopardized.
CHAPTER III.

10. Summary of the results

In the following chapter I summarize the answers to my research questions that I raised at the beginning of the research. During the process every main part of the research was published in a paper; this approach helped me to reflect on my work at each step. An overall summary of these three papers and the conclusion of the research are presented in the following pages.

11. Conclusion of the research

This research was considered exploratory; the focus was to understand one certain organization’s CCM and its main strategy. Furthermore, it looked at the difficulties the company members face, and the way they manage business relationships despite these obstacles. The goal was to have results that serve for a better understanding of the specialities that a cross-cultural relationship has. Understanding CCM’s deep structure through individual interpretation can bring up factors that play a crucial role in building up CCM. Instead of a standard-making process, learning and having a better understanding were priority.

The main question: How does Hun-Comp manage their cross-cultural challenges?

This question is further divided into sub questions:

- How do the members of Hun-Comp see the challenges which come from being a multinational company?
- How does the Hungarian Hun-Comp headquarters members define cultural differences between Headquarters and the subsidiaries, compared to the subsidiary Hun-Comp members?
- How different is the context in Hun-Comp compared to other Western multinational companies - according to the company members’ belief?
Highlighting common values can provide a good way to understand the differences and be more open and understanding towards each other within the company. The message that Hun-Comp conveys through their documents, website and all online communication focus on the regional identity and crucial role of the leaders. CCM at Hun-Comp is based on their strong local, Central-Eastern European existence; and the hierarchy that conveys the rules and standards they created for themselves is based on their needs. There is no standard, one best way in CCM; the focus needs to be shifted in order to build a tailor-made strategy. Hun-Comp gives a good example on how to emphasize cultural similarities and thus build strong, long-lasting relationships on these basic principles. Hun-Comp headquarters’ and subsidiary host countries’ cultures might be different from one another, but their employees have similar needs. Instead of focusing on cultural differences and addressing them individually, Hun-Comp aims to bring shared values and common goals to the forefront. All the parties need clear, standard rules and processes; therefore, Hun-Comp’s strict and standardized way of business management is mutually accepted and serves the company’s success by giving clear guidance for members.

In order to give stable ground to daily business communication and knowledge sharing within Hun-Comp headquarters, and between the headquarters and subsidiaries, a new organizational language had to be chosen. Hungarian, as it is not a well-known language in daily business life, could not serve the company’s efficiency goals. Despite the fact that English is one of the most widely taught foreign languages in Hungary, it raised number of challenges. As the first company-wide project, the new official language shifting process brought out hidden issues. Hun-Comp’s long-term strategy, to give an equal chance to all the members and became a multinational company with one standard language, made efficiency decrease in the short term, and shook the shared belief in common values. Conducting semi-structured interviews highlighted the facts that any change in the company rules and standards can raise a number of questions in individuals. The dominant spoken language was Hungarian in the headquarters, thus English as a lingua franca created a gap, and divided the company between Hungarian and non-Hungarian employees.
The headquarters’ language is used in the company and the language policy is communicated by the headquarters to the subsidiaries, but in the case of Hun-Comp, the issue is more difficult. The language changing process was more challenging at the headquarters, since all the communication, including emails, meetings and most of the in-person communication had to be changed from Hungarian to English. The lack of English knowledge, a lack of experience working in daily basics in the second language, and the unusual lack of use of English by even the Hungarian colleagues at the headquarters caused this division. The subsidiary members, who had to use English even before the new language policy, found it easy to fulfil the new requirements. However, these two different attitudes towards the new official language alienated the members from each other. Cultural differences were not only an occasional issue to face, but became a daily challenge to overcome. Cross-cultural difficulties can be managed with communication and transparency, but if communication is the problem within the company, then it is a barrier for understanding each other.

Findings from the interviews show that Hun-Comp, as a Hungarian multinational company, faces different challenges regarding the language shifting process than other company headquarters that are based in Western countries. At Hun-Comp, English being a second language for almost all members of the company made it more difficult for the headquarters to implement the language project. About their best practices regarding CCM, the companies with headquarters based in Western Europe must face different challenges than the Budapest-based Hun-Comp. The language changing process changes power positions and requires higher-level language skills. In the headquarters, using English and not Hungarian raises a number of sensitive questions. In Hun-Comp, the leaders’ roles are important, and their performance is an example to the other members. Most of the managers have been working for decades in the company, and have a certain working routine and level of performance; some find it challenging to meet the new requirements. Hun-Comp, by changing the lingua franca, creates a new, more international workplace and through this a new organizational culture. At Hun-Comp standards, the hierarchy and their own rules gives a stable foundation to their everyday work life with their distant subsidiaries. Changing this ground with a new official language changes the company and every individual within the company.
Contribution to the science

The most important result of my research was adding another approach to the discussion of CCM by focusing on the not well-researched Hungarian, Central-Eastern European company’s perspective. The majority of the books and papers I have studied during my research are about Western companies’ CCM challenges and best-practices. There is a homogeneity in these sources, since they are mostly addressing similar needs and offer explanations and solutions that are only applicable for certain companies with almost the same characteristics. The circumstances within Europe varies from nation to nation; their history, diplomatic ties, and the economic status of the countries are different from one another. When companies’ headquarters are based in a different country than the subsidiaries (with different cultures), they face different challenges regarding CCM, and each of them need their own tailor-made solution. The result of my own research is a part of a complex and ever-growing discussion regarding the CCM literature. In order to have a better understating of CCM, it has to be analysed from many different aspects. Each viewpoint has to be compared to many others to see the differences and similarities. To widen the horizon in the CCM literature, there is a great need for different approaches.
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APPENDIX

Appendix I.

<table>
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<th>SCImago: Subject Areas - Categories</th>
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* the same journal but searching results with different keywords
## Appendix II.

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Appendix III.

Profile of the interviewees

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<th>Daily job-language&lt;sup&gt;4#&lt;/sup&gt; (Hungarian; English)</th>
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<td>Foreigner</td>
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<td>HR</td>
<td>HR Advisor (No2)</td>
<td>2013-present</td>
<td>Hungarian</td>
<td>Both</td>
</tr>
<tr>
<td>HR</td>
<td>Team Leader (No3)</td>
<td>2013-present</td>
<td>Foreigner</td>
<td>English</td>
</tr>
<tr>
<td>HR</td>
<td>HR Partner (No4)</td>
<td>2017-present</td>
<td>Hungarian</td>
<td>Both</td>
</tr>
<tr>
<td>HR</td>
<td>Senior Drilling Engineer (No5)</td>
<td>1995-2001; 2001-present&lt;sup&gt;1#&lt;/sup&gt;</td>
<td>Hungarian</td>
<td>Both (mostly English)&lt;sup&gt;2#&lt;/sup&gt;</td>
</tr>
<tr>
<td>HR</td>
<td>Construction Manager (No6)</td>
<td>1988-present</td>
<td>Hungarian</td>
<td>Both (mostly English)&lt;sup&gt;2#&lt;/sup&gt;</td>
</tr>
<tr>
<td>HR</td>
<td>Engineer (No7)</td>
<td>2005-2006; 2006-present&lt;sup&gt;1#&lt;/sup&gt;</td>
<td>Hungarian</td>
<td>Both (mostly English)&lt;sup&gt;2#&lt;/sup&gt;</td>
</tr>
<tr>
<td>Upstream</td>
<td>Project Manager (No8)</td>
<td>1985 – present</td>
<td>Foreigner</td>
<td>English</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(at headquarters: 2016-2019)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upstream</td>
<td>Senior expert group business development (No9)</td>
<td>2016-present</td>
<td>Hungarian</td>
<td>Both (mostly English)&lt;sup&gt;2#&lt;/sup&gt;</td>
</tr>
<tr>
<td>Upstream</td>
<td>Project Manager (No10)</td>
<td>2016-2019; 2019-present&lt;sup&gt;1#&lt;/sup&gt;</td>
<td>Foreigner</td>
<td>English</td>
</tr>
<tr>
<td>Media and Com.</td>
<td>Communication and Media Team Leader (No11)</td>
<td>2011 - present</td>
<td>Hungarian</td>
<td>Both (mostly Hungarian)</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------</td>
<td>----------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
</tbody>
</table>

1* changed their position within the company

2* working language is English but they have to report in Hungarian towards the headquarters

3* every kind of communication is in Hungarian the global communication is translated in English; the leader supervises the translated ones – that are based on the Hungarian content – but not directly creating them;

4* the language they use most frequently during their everyday tasks
PUBLICATION LIST OF THE AUTHOR

**Peer-reviewed journal articles in English:**


**Publications in Hungarian:**


**International conference presentations (in English):**

Language policy and real language use (2020) conference presentation European Academy of Management (EURAM) Conference, Dublin, Ireland, 4-6, December 2020.

- winning the Best Paper Award


**National/Regional conference presentation (in Hungarian):**