

BACHELOR'S THESIS:
CROSS-CULTURAL
MANAGEMENT

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April 2014

Degree Programme in Logistics Engineering
Technology, communication and transport





Tekijä(t) Vertamo, Hannes	Julkaisun laji Opinnäytetyö	Päivämäärä 22.04.2014
	Sivumäärä 102	Julkaisun kieli Englanti
		Verkojulkaisulupa myönnetty (X)
Työn nimi Cross-cultural management		
Koulutusohjelma Degree Programme in Logistics Engineering		
Työn ohjaaja(t) Keskinen, Mikko		
Toimeksiantaja(t) Kuljetus Eklöf Oy		
Tiivistelmä <p>Tämä opinnäytetyön aihe oli Suomen ja Unkarin työkuultuurierot. Toimeksiantaja on Kuljetus Eklöf Oy, joka vetää asiakkaiden trailereita omalla vetokalustolla ja kuskeilla pääsääntöisesti Keski-Euroopassa. Esimiehet ovat suomalaisia ja työskentelevät Suomessa. Kuskit ovat pääsääntöisesti unkarilaisia.</p> <p>Unkarin ja Suomen työkuultuureilla on eroja. Lisäksi viestintä esimiestason ja kuljettajien välillä on haastavaa yhteisen kielen puuttumisen vuoksi. Nämä seikat luovat ongelmia yrityksen päivittäiseen toimintaan. Aiheutuu väärinymmärryksiä, välinpitämätöntä toimintaa ja suoraa kuluja yritykselle.</p> <p>Tämän opinnäytetyön aikana yritin tuoda kulttuurierot ilmi. Käytin hyväkseni Project Globe – tutkimuksen tuloksia, teoriaa monikulttuurisesta johtamisesta ja haastattelin aiheeseen liittyviä henkilöitä. Lisäksi yritin löytää ja luoda Kuljetus Eklöfille toimivan viestintämallin haastavaan viestintätilanteeseen. Tavoite oli helpottaa yrityksen päivittäistä toimintaa ja parantaa kannattavuutta vähentämällä turhia kuluja, joita nämä johtamisongelmat aiheuttavat.</p> <p>Suomalaisella ja unkarilaisella työkuultuurilla on suuria eroavuuksia. Työntekijöiden arvot ovat lähtökohtaisesti erilaiset taustojen ja koulutustasoerojen vuoksi. Johtajalta vaaditaan auktoriteettia ja selkeää johtamista, kun taas Suomessa johtajan odotetaan ottavan itse osaa töihin ja kysyvän työntekijöiden mielipidettä ongelmien ratkaisuun.</p> <p>Ratkaisuna ovat selkeiden päämäärien asettaminen unkarilaisille kuskeille. Lisäksi esitin välillisiä johtamismalleja, joilla voidaan tukea asetettujen päämäärien saavuttamista. Opinnäytetyön lopputuotos on myös SKAL:n seminaarissa pidettävä esitelmä monikulttuurisesta johtamisesta.</p>		
Avainsanat (asiasanat) monikulttuurinen johtaminen, Unkari, Suomi, organisaatio johtaminen, viestintä		
Muut tiedot		



Author(s) Vertamo, Hannes	Type of publication Bachelor's Thesis	Date 22.04.2014
	Pages 102	Language English
		Permission for web publication (X)
Title CROSS-CULTURAL MANAGEMENT		
Degree Programme Logistics Engineering		
Tutor(s) Keskinen, Mikko		
Assigned by Kuljetus Eklöf Oy		
Abstract <p>The purpose of the thesis was to study differences between the Finnish and Hungarian working culture. The commissioner is Transport Eklöf. It is a trailer hauling company and has Finnish management and Hungarian drivers. Finnish and Hungarian working cultures have some differences, which are presented in this thesis. These differences cause problems in everyday life and create unnecessary costs.</p> <p>Based on these problems, the research plan was to find and discover cultural differences between the Finnish and Hungarian working culture. Another problem is the communication; there is no common language between the manager and driver. During this thesis, theory of cross-cultural management is presented and using different, like Project Globe study, and interviewing experts of this area and the Hungarian drivers trying to locate the problems.</p> <p>The objective of this thesis was to find and create a management style which reconciles the discovered cultural differences and improves communication between the management and drivers. In this management style, manager sets clear goals for the employees. Another management tool was using management methods to support these goals. The overall goal was to increase Transport Eklöf's profitability by decreasing costs caused by poor management.</p> <p>Power Point presentation was created as final result for similar experiences in other partners inside the SKAL. The presentation was presented in SKAL's seminar.</p>		
Keywords cross-cultural, Hungary, Finland, management, communication, organizational, leadership		
Miscellaneous		

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1. 21st century in the Transportation Business

This thesis is about cross-cultural management between Finnish and Hungarian working cultures. Nowadays, when companies are using more and more subcontractors and employees with different cultural backgrounds, the importance of management is emphasized. Employees are located globally around the world in different cultures, and somehow they should be able to perform and work as well as in their home country.

This thesis was assigned by Transport Eklöf Oy. The company's main business is trailer hauling around Europe. Transport Eklöf has Finnish managers and a CEO, who are located in Finland. Transport Eklöf Oy owns a Hungarian subsidiary company, which mainly employs Hungarian truck drivers.

There is lot of studies done about multicultural and cross-cultural management, but not between the Finnish and Hungarian working culture. In 1970's Hofstede started doing research among the IBM employees around the world. The latest similar study is Project Globe. With the results from this study, different cultures can be compared by numbers and pure facts. Project Globe is used as one factor in the theory part later on, and were interviewed different people who were thought to have something important to say related to the topic of this thesis. Also, drivers and managers were interviewed.

Differences in working cultures between Finland and Hungary are causing problems in Transport Eklöf's everyday life. There are misunderstandings, poor management and a neglecting attitude towards tasks. This is causing unnecessary costs to the company. The goal of this thesis was to find a management tool and methods to reconcile the cultural differences between the Finnish and Hungarian working cultures. Another goal was to improve communication where there is a limited amount of common language available.

This topic is crucial because an increasing number of companies in Finland, not just transportation companies, are using foreign employees. Employees can be located around the world. This thesis gives tools and ideas for how to manage those foreign employees, not just Finnish and Hungarian people. With the modern day technology, communication is so easy that the management has to step up to keep things under control.

2. Description of the Problem and the Current Situation

2.1 Current Situation in the Company and in the Market

Transport Eklöf Oy was established in 1991. It operates in Central Europe and the company has a garage in Lübeck, Germany near the Travemünde port. Transport Eklöf's main business is trailer hauling around Europe. The main customers are forwarding companies like DSV and Itella Oyj. Transport Eklöf Oy owns a subsidiary in Hungary, Transport Eklöf Kft. Through this subsidiary, Transport Eklöf has Finns as managers and mainly Hungarians as truck drivers together with a couple of Finnish and Estonian drivers.

Transport Eklöf has around 30 trucks of its own and around 30 trucks from its subcontractor. The company provides its customers only with the truck and driver, but the customer has to have the trailer and goods ready. Transport Eklöf does not usually communicate directly with the end customer, communication is only with the middle-man like freight forwarder, who communicates with the end customer.

The increased fuel price and competition has put a lot of pressure to trailer hauling companies to decrease their prices and profits. Because of this, savings are searched in every possible area of business.

2.2 Information Flow in the Company

Transport Eklöf receives an order from a customer to move the trailer from point A to point B. This order can be received through an email or electronic data interchange (EDI). The transport operator creates a work order to the company's own enterprise resource planning system (ERP). The transport operator decides which driver will do the transport of the trailer and sends him the work order through the computer system. Each truck is fitted with an on-board computer, to receive and send information. With the computer, the driver knows the details for the task and can contact the transport manager, if needed, with simple messages.

The driver will pick up the trailer and all the documents required, like CMR, and sends a message to the transport operator. The pick-up information is forwarded to the customer through EDI. After the delivery is done, the driver will send a message through the computer to the transport operator, who will forward that information to the customer through EDI. If there is a problem or cargo is damaged during transportation, the driver will contact to transport operator who will negotiate with the customer what to do with cargo. After this, the transportation is completed and the driver will head to the next trailer.

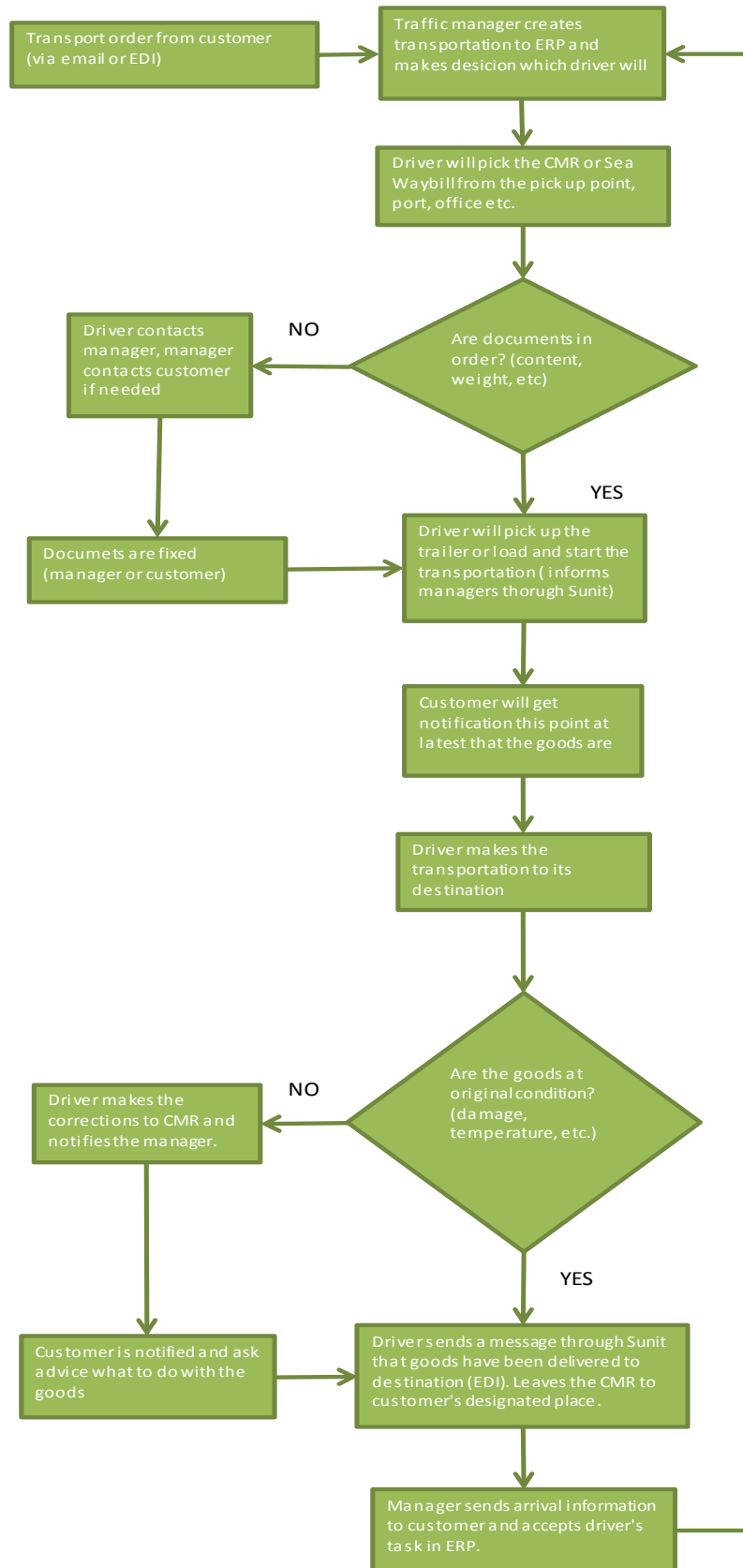


Figure 1 Information Flow in Transport Eklöf

2.3 Problems that Company is Facing

With the Hungarian drivers and Finnish managers, the communication and management does not work as required. Finnish managers try to manage Hungarians as Finnish employees and this does not work. This causes misunderstandings or other problems which will have an effect on customer service and efficiency. Also the driver's respect towards the employer and the company's property is low and there are a lot of accidents which causes costs. Drivers respect toward their profession is low. This can be seen as neglecting or not caring about the basic work tasks like securing cargo or unloading of the truck.

Finnish managers feel that training is an issue with the Hungarian drivers whereas they do not see that it is important and useful for them. According to the Finnish managers, Hungarians do not have high respect towards traffic safety. There have been incidents like driving under the influence of alcohol and neglecting the importance of lashing or securing the cargo. Few of the Hungarian drivers speak English or German, which the Finnish managers are able to speak, so there are problems with communication because managers do not speak Hungarian.

2.4 Research Plan

Based on what were discovered and heard from the CEO of Transport Eklöf, following research plan was created:

- Finding out the possible culture differences between the Finnish and Hungarian work cultures?
- Creating a management method and tools to reconcile the culture differences between the Finnish manager and Hungarian employees and ways to use them in real-life?

3. Theory

Based on the theory about cross-cultural management and cultural differences between Finnish and Hungarian working cultures, were trying finding and showing topics which will guide this thesis towards improvements. As the “management” word is quite intensive, management part was narrowed down to simple and straightforward parts. Because the communication method between a manager and employee were based on short messages and direct orders, it sets limitations for what kind of methods a manager can use.

The language barrier is also a problem. The lack of mutual native language and the drivers’ poor English or German skills, only basic words are used in communication. To find out what the culture differences are in theory, findings from study called Project GLOBE were used as assistance. A professor of Hungarology and Hungarian professor of literature were interviewed about the culture differences.

3.1 Definition of Culture

Defining culture is not so simple. Bik has collected definitions of culture from many researchers into his book. (Bik 2010) Many different disciplines have defined the word “culture” but still there is no universal consensus of what the definition of culture is.

According to Kluckhohn : “Culture consists in patterns ways of thinking, feeling, and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e., historical derived and selected) ideas and especially their affected values.” Kluckhohn’s definition includes many different aspects what affects to the culture. (Lerner & Lasswell, 1951, p.86)

Adler defines culture pretty similarly to Kluckhohn: “Culture is a way of life of a group of people, the configuration of all the more or less stereotyped patterns of learned behavior which are handed down from one generation to the next through means of language and imitations” (Adler 2002, p.18).

Hofstede defines culture as “collective programming of the mind that distinguishes members of one group or category of people from another” (Bik 2010, p.72). Hofstede has quite a simple way of defining culture compared to Adler and Kluckhohn. Both Adler and Kuckhohn define how the culture is shown in everyday life and that culture is passed on to next generation. Hofstede, in the other hand defines cultural habits or identities as “collective programming of the mind” without defining how the culture is shown in everyday life.

Chhokar, Brodbeck and House define the culture in a modern way including the social environment and technology “Culture is a set of parameters of collectives that differentiate the collectives from each other in a meaningful ways. Culture is variously defined in terms of several commonly shared processes: shared socially constructed environments; common ways in which technologies are used; and commonly experienced events including the history, language and religion of their members” (Bik 2010, p.72).

Based on these different definitions, Bik has distinguished the key items for the definition of cultures; culture has a certain set of values, beliefs, behaviors and attitudes. These are shared, interpreted and transmitted over time within a collective, which makes each collective have its own unique and distinguishing differences compared to other collectives (Bik 2010, p.72).

Edgar Schein defines culture as something which is less tangible and an abstract concept, but the word “culture” is still used as a common nominator for things like behavior, values and norms of a certain group. In his own definition of culture, Schein divides the concept of culture into four parts; structural stability, depth, breadth and patterning or integration (Schein 2010, p.17).

Structural stability is some level of stability provided by the norms and values in a certain group. Stability provided is one of the reasons why modifying a culture is hard; it is considered as a stabilizing force and the members will not give up on that easily.

Culture is the deepest and often an unconscious part of the group and that is why it is less tangible and visible outwards. “When something is more deeply embedded, that also lends stability”(Schein 2010, p.16). After culture has developed, it covers all of a group’s functions. Culture influences all aspects of how an organization deals with its tasks. With patterning or integration, stability is bought into a larger paradigm which will tie together various elements and resides at a deeper level. Overall, people will try to minimize anxiety and come up with solutions to reduce anxiety and have become a more consistent and predictable view of how things are and how they should be in the future (Schein 2010).

With the earlier definitions in mind, Schein defines culture as follows: “The culture of a group can now be defined as a pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid, therefore, to be taught to the new members as the correct way to perceive, think, and feel in relation to those problems” (Schein 2010, p.18).

3.2 Cultural Differences and what these are in Working Life

Based on Edgar Schein’s *Organizational Leadership and Culture*, cultural differences are explained and what the reasons to those are. Human mind and behavior is highly related to cultural differences. Whenever there is human mind involved, the differences are not so easy to find and understand. In chapter 6, these findings are presented and how to use those as a management method.

3.2.1 Levels of Culture

Schein (2010, p.23) defines three levels of culture; artifacts, espoused beliefs and values and basic underlying assumptions. Schein compares the levels of culture to an iceberg; artifacts are the small part of the iceberg which is visible above the sea level. Espoused beliefs are immediately below the sea level and values and basic assumptions are on the bottom part of the iceberg. The main idea in this comparison is that only a small part of the iceberg is visible and most of the ice is below the sea level, as it is with culture.

Artifacts can be considered the most tangible and visible cultural structures and processes seem to outside. Artifacts are the cultural norm and conduct how the people of a certain group behave and act when they encounter something new. Artifacts tell many things about the culture but what is their meaning in a certain culture is very difficult to understand by a person from a foreign culture. The most important point to be made about this level of the culture is that it is both easy to observe and very difficult to decipher (Schein 2010, p.32).

Espoused beliefs and values are about the group's ideals, goals, values and aspirations. What is thought to be right and wrong or reasonable and unreasonable is the distinctive difference between different cultures. As an example, if the leader of the group suggests some new idea, for the rest of the group to accept this new idea, there has to be a transformation process inside the group and their thinking. After this process, the suggested idea changes from *a shared value or belief* into *shared assumption* in the group (Schein 2010).

The basic underlying assumptions can be considered as a pattern; "When a solution to a problem works repeatedly, it comes to be taken for granted" (Schein 2010). The solution might have been a hypothesis at the beginning, but it has been developed and treated as a reality inside the group. This will modify the basic assumptions, what is considered as for granted. Basic assumptions can considered be also the preferred solution among several basic alternatives, but members can still behave and act according to variant as well as dominant orientations.

For example, in the capitalist way of thinking it is very difficult to understand why someone might design a business organization to operate constantly on financial loss. In this sense, basic assumptions comes "theories-in-use" –implicit assumptions that actually guide behavior. For the same reason basic assumptions are extremely difficult to change or modify (Schein 2010).

3.2.2 Cultural Levels in an Organization

When this theory is brought to the organization culture, there can be distinguished three different culture levels; operator, design/engineering and executive subculture. Each of these cultures has their own vision about the organization because of their status and knowledge about the organization.

The operator level can feel like they run the place and the company is depending on their work and knowledge. Operators may feel that even though the engineer's design is carefully done, the operator will have to deal with anything unpredictable. Operators feel that they are highly dependent on the resources allocated by their leaders. (Schein 2010)

Engineers think that the ideal world is when machines work in perfect precision and harmony without human intervention. That is why they see people as a source for a problem and they should be designed out of the system. Engineers think that every work should be productive and based on science and the available technology.

An executive manager will see the financial side of the organization. Financial growth and competitiveness is a must to stay in business. Executive managers might feel that they cannot trust their subordinates as they might tell the manager exactly what they want to hear. So the executive manager becomes like a lone wolf. They also see personnel as a resource, like raw material for example. People are not a necessity, only their activities are needed (Schein 2010).

When these three levels are combined, one can see that they do not match. Because any person in their own place in hierarchy sees only what they should see about the organization, and cannot necessarily produce root causes why something has happen or is done this way. Operators expect managers to provide them with enough resources to do their job as managers try to eliminate and use as little resource and personnel as possible (Schein 2010).

3.2.3 Cultural Levels, Integration and Their Effects on an Organization

Crucial basic assumptions inside the organization have to be equal among the employees and employer. (Schein 2010) These assumptions are visible and important, like how things should be done, what the goals are and how to reach them and how to measure ways to reach the goal. Usually in an organization, these basic assumptions are coming from the leader and are taken as granted by the employees as a shared part of the organizational culture. With the shared basic assumptions of the organization and its goals, it is easier for the leader and employees to communicate and reach those goals.

Communication and using common language between the leader and employees is vital. In this case, there has to be common words or terms for specific items or phenomena. An organization or group has to define itself; who belongs to the group and what are the criteria for entering the group. An organization also has to define power and authority and who uses them. With the clear pecking order, members can easily handle feelings of aggression or anxiety (Schein 2010).

An organization has to define norms for trust and friendship. There has to be rules for relationships and how those are handled. This is crucial for members to define trust and manage their feelings. Defining rules and allocating rewards and punishment in the organization are crucial for defining what is right and wrong and what is a reward and punishment. Every group and organization sometimes faces unexplainable events that must be dealt with. For these events, meaning must be given so that members and respond to them and avoid anxiety of dealing with something which is unexplainable and uncontrollable. (Schein 2010)

3.3 Hofstede's Model

A Dutch cultural researcher Geert Hofstede did unique research in the 1970's among IBM employees around the world. The study was about cultural differences between different countries. Hofstede's study was the first real study about cultural differences. Hofstede divided the cultural differences into 4 dimensions:

- power distance
- uncertainty avoidance
- individualism-collectivism
- masculinity-femininity

But this study is based on the data from the 1970's and the world and research methods have changed since that day. A more modern version of Hofstede's model is Project GLOBE, which is based on Hofstede's model but takes into account more aspects of cultural differences than Hofstede's original model. That is the reason why Project GLOBE was chosen as main theory study in this thesis. (Silverthorne 2005, p.16)

3.4 Project GLOBE

Global Leadership and Organizational Behavior Effectiveness (GLOBE) started in 1993. The latest results, Phase 3, of this study were published in 2008. The main purpose of this study was “examining the interrelationships between societal culture, organizational culture and leadership.”(Warner-Søderholm) Project GLOBE was based on data from 62 different societies about cultures and leadership styles around the world. In this study, there were five main topics about leadership:

- Charismatic/Value based
- Team orientated
- Participative
- Human-oriented
- Self-protective

Based on these topics, different cultures are comparable to each other. For example, one can directly compare the Finnish management culture to the one in Japan. (Chhokar et al.) Each value is rated between 1-7, when 1 is low and 7 is high.

A professor of Hungarology from University of Jyväskylä was also interviewed for this thesis, Appendix 7.4. Based on Project GLOBE and this interview, there is explained the cultural differences in next chapter. Finland is considered as a part of the Northern European cluster and Hungary as a part of the Eastern European cluster. (Green 2013)

3.4.1 Hungarian Working Culture Based on Project GLOBE

Hungarian historical roots go back to tribes, which came from the Ural Mountains and settled down in the cross-roads of central Europe. (Bakacsi, Takács, Karácsonyi & Imrek, 2002) Hungarian language belongs to Finno-Ugrian language family, and is completely different compared to other eastern European languages. Largest share of Hungarian are Catholics and Calvinist and Lutherans are minority. After the WWII, Hungary became part of socialist regime. After Soviet Union collapsed in the beginning of 1990's, Hungary has turned to capitalism. Hungary joined NATO in 1999 and has been member of European Union since 2004. But turning into capitalism has cause problems as well; increasing prices, high inflation and loss of jobs which forced Hungarian companies to change and adjust to market ideology.

The behavioral heritage in socialist cultures is a strong power culture.(Bakacsi et al) Strong central control and redistribution caused a strong intra-organizational dependence, with a wide power cap between the top and middle management. As a result, employees depend on their superiors and expect them to take care of employees. The strong power culture causes employees to avoid taking responsibility, feel inefficiency, learned helplessness, unfairness and work place anxiety and favoritism.

Findings in GLOBE study show that there is a change coming compared to the socialist culture. In societal practices, the Eastern European cluster has high group collectivism (5,53) and power distance (5,25) but has low ratings for uncertainty avoidance (3,57) and future orientation (3,37). The Eastern European cluster is gender egalitarian (3,84). Overall, The Eastern European cluster can be said to be tolerating uncertainty, highly group orientated, hierarchical and gender egalitarian. (Bakacsi et al.) Hungary has three exceptions compared to the average of the Eastern European cluster; Hungary has higher power distance (5,56), lower uncertainty avoidance (3,12) and higher gender egalitarianism ((4,08).

In societal values (should be), the cluster has relatively high performance orientation (5,81), group and family collectivism (5,56), humane orientation (5,41), future orientation (5,37) and uncertainty avoidance (4,93). Power distance is low (2,84). In comparing the societal values and practices together, managers in the Eastern European cluster would prefer their country as a whole to be more performance and future orientated and humane. Managers desire a lower level of power differentiation, a higher level of structure and gender egalitarianism. (Bakacsi et al.) Hungary has the values close to the cluster average without any significant exceptions.

From these results, there can be seen that there is a strong wish to reduce the existing power distance, extend the future orientation and increase performance orientation. There is also a strong wish to strengthen the humane orientation and reduce uncertainty. (Bakacsi et al.)

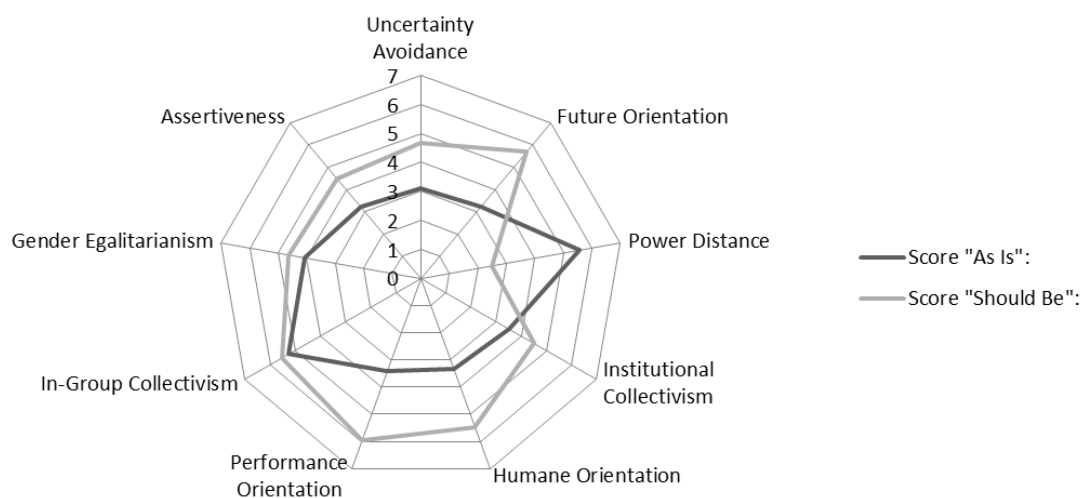


Figure 2 Hungarian Societal Practices and Values (Bakacsi et al. 2002, p.76)

3.4.2 Hungarian Leadership Based on Project GLOBE

The leadership part of the Project GLOBE study placed Hungary together with the Latin cluster; Italy, Spain and Portugal. Overall, the Eastern European cluster has similarities in leadership attributes. “Southeastern middle managers appeared to prefer visionary and inspirational charisma, integrity, decisiveness, performance orientation, team integrator, administratively competent, diplomatic, collaborative team orientation as the most required variables of outstanding leadership” (Bakacsi et al. 2002, p.77).

The key elements for a successful leader in the region are composed from charismatic (5,73) and team-orientated (5,50) leadership. “Leaders with characteristics of being visionary, inspirational, decisive, and performance oriented, having integrity, building team, collaborative and diplomatic (all first order components of charismatic and team oriented) are highly respected” (Bakacsi et al. 2002, p.77). Charismatic leadership comes from high power structure, but it seems to contradict the short-term orientation values but fits to future orientation values. Future orientation, as a preferred leadership attribute also correlates future orientation values but also contrasts “stuck-in-a-present” practice (Bakacsi et al. 2002, p.77).

Participative leadership has also a high rating (5,08). Paternalism or asking others’ opinion has been a dominant pattern in the status conscious eastern society. (Bakacsi et al.) Humane orientated and autonomous leadership have a moderate score with a slight positive impact. The least valued leadership dimension is self-protectiveness (3,67). The self-centered and face saving leadership style is considered an old-fashioned leadership style from the past decades. Overall, Hungary has a higher value for charismatic and team-orientated leadership (5,91). Hungarian middle managers gave autonomous (3,23) and self-protective (3,24) leadership styles the lowest scores.

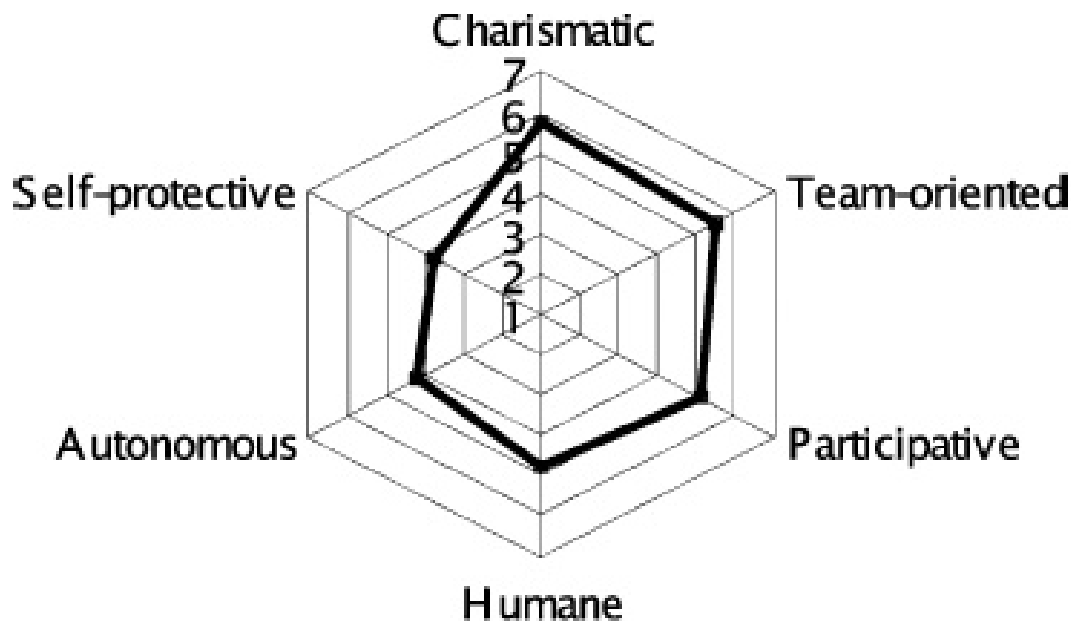


Figure 3 Leadership scale Eastern Europe (Bakacsi et al. 2002, p. 77)

When societal values and practices are combined with the leadership score, those reflect two different patterns. Certain variables show a parallel pattern; there is a strong correlation between values and practices. (Bakacsi et al.) Secondly, there is a crossing pattern with certain variables; there is a strong negative correlation between values and practices. This is called as a “pendulum” pattern. For example power distance; in practice it has a high score, but in values a low score. Reasons for this pendulum effect can be found from the cultural change which is in progress. Another reason is that moving toward expected values has substantial constraints and limitations. Implementing these changes to the work culture causes anxiety and frustration, which will have a negative effect. The first reason might release positive energy and motivation as the second reason might build obstacles into the process of developing micro – and macro-competitiveness. (Bakacsi et al.)

3.4.3 Finnish Working Culture Based on Project GLOBE

Finland is part of the Nordic cluster in Project GLOBE together with Sweden, Norway, Denmark and Iceland. But data from Project GLOBE does not include Åland, so it is excluded from this study. (Warner-Søderholm, 2012) The Nordic countries have a long history together. In the 14th century, Sweden and Finland were part of Denmark and in the 16th century, Sweden was re-established as a separate kingdom. In 1809 Finland became a Grand Duchy under the Russian Tsar. In 1917 Finland became an independent nation. Finland had a war with Russia in World War II but never became part of the socialist regime like Hungary. Finland had “Russification” during the Cold War. Finland has two official languages; Finnish and Swedish, and Sami as a recognized regional language in northern Finland. The main language is Finnish, which is not related to the other Nordic languages. The majority of the Finns are Lutheran.

The Nordic countries share a similar political ideology, especially in the socio-economic area. The Nordic countries have large, tax-funded public welfare sectors and varying degrees of socialist legislation.

The Nordic cluster countries appear egalitarian, have a low value for power distance, directness and consensus decision making and promoting gender egalitarianism. (Warner-Søderholm, 2012) Finland has high scores in societal practices in uncertainty avoidance (5,02), future orientation (4,2), and institutional collectivism (4,63). (Chhokar et al. 2013) This indicates that forward planning is an important feature but not forgetting team work. Finland has a low score for gender egalitarianism (3,35). Finland has score 3,81 for performance orientation, which is the lowest in the Nordic cluster. Because of the progressive tax-system and desire to even out income differences, these are counteracting factors to performance orientation. (Chhokar et al. 2013)

In societal values, Finland has a high score in performance orientation (6,11) and humane orientation (5,81). Power distance (2,39) and institutional collectivism (4,11) are low. This indicates that Finnish managers feel that there is a need for a change. Based on high performance orientation and low power distance, Finnish managers feel that future competition will be tougher and societal structure will become flat. With low power distance, Finns want to be involved in decision making. Important problems and issues should be discussed, planned and decided together. (Chhokar et al. 2013)

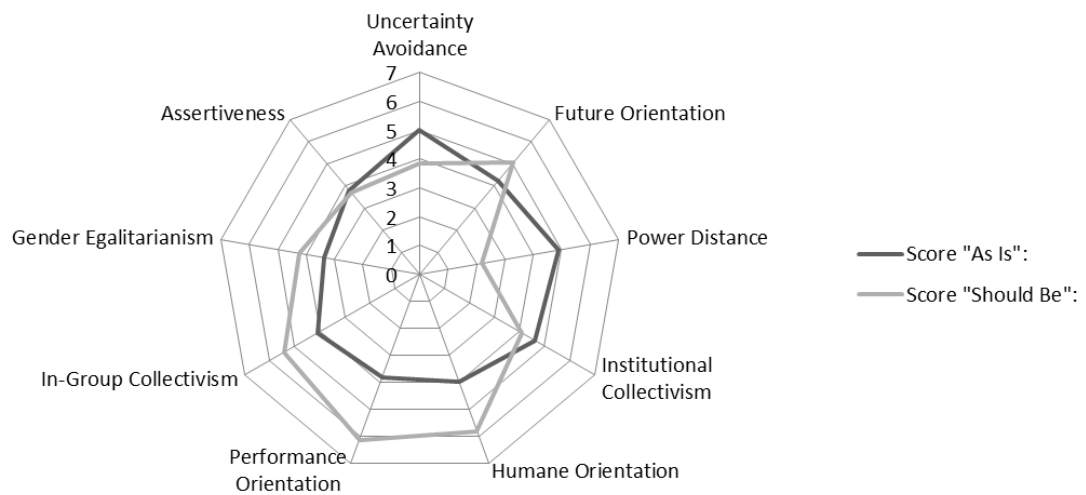


Figure 4 Finnish Societal Practices and Values (Chhokar et al. 2013, p.84)

3.4.4 Finnish Leadership

In comparison with other GLOBE countries; Finns value highly leaders with the following abilities, integrity, inspirational, collaborative team orientated and visionary. (Chhokar et al. 2013) Most of these features are elements of transformational leadership, especially the charismatic factor, but also to some extent in individualized consideration.

Finns value integrity; the leader should be honest, sincere and trustworthy. A good leader means what he or she says and the proverb “honesty is the best policy” is valid among the Finns. Honesty is highly valued in Germany and UK as well. (Chhokar et al. 2013)

An outstanding Finnish leader should be inspiring his or her subordinates by being positive, enthusiastic and building confidence. (Chhokar et al. 2013) Leader should give advice and feedback to subordinates to support their successful work. An outstanding Finnish leader creates energy in the organization and cooperates with subordinates in order to attain goals at an even higher level. (Chhokar et al. 2013)

An outstanding Finnish leader has to be a good team integrator; build teams, integrate and coordinate teams and communicate within them. (Chhokar et al. 2013) “Teams are considered to be responsible for their own tasks and therefore a leader is expected to be able to integrate and cooperate” (Chhokar et al. 2013, p.99). Teams in the Finnish working culture should have clear goals and objectives and every member should achieve their own task goal and be accountable for reaching it.

A good Finnish leader is required to be visionary; to be able to plan ahead, to have foresight and be intellectually stimulating. (Chhokar et al. 2013) All of these features of outstanding Finnish leader can be applied to a universal leader, not only Finnish leader.

Leadership dimensions	Score (1-7)
Integrity	6,52
Inspirational	6,42
Collaborative Team Oriented	6,35
Visionary	6,29
Performance Orientation	6,04
Decisive	5,97
Team Integrator	5,54
Diplomatic	5,4
Administrative Competency	5,32
Modesty	4,52
Self-Sacrificial	4,22
Autonomous	4,08
Humane	4,06
Status-Conscious	3,15
Conflict Inducer	3,1
Procedural	2,87
Autocratic	2,11
Nonparticipative	2,08
Face Saver	2,05
Self-Centered	1,55
Malevolent	1,47

Figure 5 Finnish leadership dimensions (Chhokar et al, 2013 p, 94)

Features which scored very low in the Finnish work culture, both in absolute and relative terms, were malevolent (i.e. hostile, dishonest), self-centered, face saver, nonparticipative and autocratic. (Chhokar et al. 2013) Poor leaders are unable to put themselves on the same level as their subordinates, get close to them and understand them. On the other hand good leaders interact with their subordinates, are open about the development of the organization and encourage their subordinates. Also, a good leader can create a positive climate and positive values into the organization.

Finns have a high level of education. This means that subordinates are knowledgeable people and the leader cannot be the one with the best knowledge of all the issues. It is up to the leader to inspire and motivate subordinates in order to bring the best out of them. (Chhokar et al. 2013)

3.4.5 Comparison Between the Finnish and Hungarian Leadership

In cultural values, there are differences between the countries. Values “As Is” the major differences between Finland and Hungary are:

- Finland has higher uncertainty avoidance, future orientation, assertiveness, institutional collectivism.
- Power distance, performance orientation, humane orientation are about the same
- Hungary has higher in-group collectivism.

Based on these differences, Hungarian employees can be considered to prefer working in teams with a clear hierarchy and management. Finns prefer a bit more individual work with the management asking the employee's opinion and taking part in working. But, as the professor of literature said (see Appendix 7.4) Hungarians have some cultural habits which are not shown in the Project GLOBE study. Hungarians are used to considering everything with a double meaning; what is hidden and what is left out, like in a newspaper. The same applies to the work culture. Everything that the manager is saying is searched for to find double meaning. Hungarians can consider also taking initiative or making major decisions as frightened, without support from their management, whereas Finns are quite the opposite by taking part in decision making with their manager, according to Project GLOBE.

The backgrounds of the Finns and Hungarians are completely different. Finland has been a capitalistic country when Hungary has been part of the Soviet Union and socialism. Based on only this factor, Finns and Hungarians have different points of view on the entrepreneur and company owned items, according to the professor of literature (see Appendix 7.4). In the Soviet Union it did not matter if a company owned item broke down, there would always be a new one. Also employees were paid steadily without a connection to quality or efficiency.

In capitalism things are just the opposite, and a lot of breakdowns cause costs, which can mean that the company does not have money to pay salaries or can even go bankrupt. Interviewed professor of literature says that this Soviet type of point of view is still around among the older generation, which most of the drivers represent. Finnish managers do not understand how somebody can act or think like Hungarian drivers are now doing, what comes to company owned items.

But, as Hungary has become part of the EU and replaced socialism with capitalism, there is a change in sight. Value “Should Be” in Project Globe represents the future values or where the culture is going. The results are close to the Western European or Nordic cluster. Also, “crossvergence” with the western culture is happening, according to the professor of literature (see Appendix 7.4). So the future generations, which are born in the 21st century, could have more similar cultural values compared to the present ones. But that is still in the future, and does not help right now with the current problems.

A similar issue is related to training and the drivers’ attitude towards it. According to my questionnaire (see Appendix 7.9), drivers have an overall positive attitude towards training and consider it a useful and important part of the work. But according to the professor of literature (see Appendix 7.4), a person with a lower education level does not appreciate training and considers it more of a punishment than something useful. CEO of the company has recognized the same issue (see Appendix 7.1).

In the Finnish working culture, training is highly related to work efficiency and quality. As Project Globe results show, Finns have usually a higher education background compared to the rest of Europe. Also Finns are taking part in decision making and are interested in important decisions which are guiding the company. Finnish managers cannot understand why taking part in training is so repulsive for Hungarian drivers and why drivers do not understand that training is only to help them to do their job better.

The overall Hungarian and Finnish leadership styles, according to the Project GLOBE results are quite similar. Both the cultures value highly leaders with charismatic and team orientated leadership styles. Both cultures highly value integrity, collaborative and supportive features. Styles with a low value are almost the same; self-centered or protective and nonparticipative. There is one difference: Finns valued autonomous style higher than Hungarians. The professor of literature (see Appendix 7.4) also highlighted the power distance and hierarchy in the Hungarian working culture; the manager cannot be “a buddy” with Hungarian employees. The manager should have his distance to the employees. So based on Project GLOBE results, a Finnish manager with an ideal Finnish leadership style should do fine among the Hungarian people.

3.5 Management in Cross-Cultural Working Environment

“All managers achieve results through the people they manage and influence” (Comfort & Franklin, 2010, p.10). Managing effectively across another culture is more challenging than operating in just your own culture. As the manager and employees share the same cultural values and take same cultural aspects as granted, managing in the domestic environment is different compared that managing in another culture. With cross-cultural management, manager has to consider cultural aspects: what are the cultural norms in that specific working environment and how to adjust and adapt management methods to those.

Here this situation is considered as a manager abroad, although managers are living in Finland and the employees are in their own work-culture or at least very close to it. Management could be done virtually anywhere around the world so managers have to adjust themselves to understanding the foreign culture all the time.

Another option would be considering managers as working in their own culture and foreign employees coming to Finland to work in a foreign culture. This would not work because management is performed in foreign culture compared to Finnish work-culture. Although, it is done virtually.

3.5.1 Schneider and Barsoux Cross-Cultural Management Values

Schneider and Barsoux have defined the skills or abilities that a cross-cultural manager should have. These are interpersonal skills, linguistic abilities, motivation to live abroad, tolerance for uncertainty, flexibility, patience and respect, cultural empathy, a strong sense of self and the sense of humor. (Schneider & Barsoux, 2003, p. 189)

Interpersonal skills means the ability to form relationships, which will help the manager to “integrate into the social fabric of the host culture.” (Schneider et al. 2003 p.190) Linguistics abilities help to communicate with the employees and to form relationships. Speaking the same language as the employees can have a significant effect on the employees’ attitude towards the manager. Motivation to work and living abroad “has been shown to be a key ingredient to the successful adaptation of the expatriates and their family.” (Schneider et al. 2003 p.191) This can be seen as a cultural curiosity.

The ability to tolerate and cope with uncertainty means that often a manager abroad has to make a decision based on insufficient or unreliable information. Circumstances may change unexpectedly and local employees' behavior may be unpredictable. (Schneider et al. 2003)

Patience is needed because it takes time to learn the key features of the new culture. Expatriates have to avoid benchmarking the new culture to their own; instead they have to try to understand the reasons for the local cultural manners. Respecting other people's opinions demands empathy. It is needed for appreciation and understanding "thoughts, feelings and experiences of others." (Schneider et al. 2003) Expatriates need a strong sense of self or ego to allow interaction with another person or a culture without a fear of losing one's own cultural identity. The sense of humor can be seen as a relationship builder and coping mechanism. But humor also can be like twosided sword; what might be funny in one culture is not necessarily funny in another culture.

In his book "Organizational Culture and Leadership", Schein defines similar values for the multicultural leader. Schein uses international groups with various cultural backgrounds as an example in his book and that is why Schneider and Barsoux model is not totally equal or the same as Schein's. (Schein 2010, p. 94)

Schein uses the term *cultural intelligence*, which consists of cultural capacities and learning skills. There are so many macro cultures in the world that it is feasible to develop learning skills to quickly acquire the needed knowledge about the foreign culture which is involved in that situation. *Cultural intelligence* introduces the proposition that to develop understanding, empathy and the ability to work with people from different cultural background requires four capacities: "actual knowledge of some of the essentials of the other cultures involved, cultural sensitivity or mindfulness about culture, motivation to learn about other cultures and behavioral skills and flexibility to learn new ways of doing things" (Schein 2010).

Although Schein's model is more for multicultural management whereas Schneider and Barsoux's model is for cross-cultural management, the key ideas are still the same. A person working with people from a different cultural background has to have empathy towards the other cultures. The person also has to have motivation to learn about other cultures and to be able to adapt to new situation's and cultural surroundings.

3.5.2 Crossvergence in Cross-Cultural Management

"The role that culture plays in international development highlights the need to understand the relationship between cultural values, system of governance and managerial behavior" (Silverthorne 2005, p.124). Other countries' management model will eventually develop or converge to the model that is used in the fully developed countries. The reason for this is the number of multinational companies, and to increase in the rate of internationalization will lead to the adaptation of the Western culture, European, US and Japanese cultures, working culture in the rest of the world. (Silverthorne 2005) With the Western culture, capitalism is usually embraced and leads to the acceptance of individualistic work values. But, how this convergence happens, is still unknown.

Another view to the reasons for convergence is considering the social concept modernization. Modernization is a process "whereby all societies work toward bettering the lives of citizens" (Silverthorne 2005, p.125). But the Western culture does not define modernization and it is not equivalent to "Westernization".

The divergence theory is based on the assumption that there are such strong cultural norms which will cause “differentiation across borders” (Silverthorne 2005, p.126). The already existing cultural values or norms, which are shaped by the society, increase the resistance towards changes brought by exposure to international differences. The divergence theory argues that individuals will retain their own cultural-based values regardless of the country’s economic ideology. The divergence theory also argues that management styles are independent of international influence.

Crossvergence is a theory which combines convergence and divergence theories how the theories affect each particular aspect of management style (Silverthorne 2005, p.126). Silverthorne defines crossvergence as follows: “provides an integration of cultural and ideological influence to produce a unique set of values that are influenced both by national culture and economic ideology”(Silverthorne 2005, p.126). In this case, economic ideology is the workplace philosophy which dominates organizations in that particular country. Two major ideologies are socialism and capitalism. The crossvergence theory includes separation between the East and West; according to researchers, an Eastern socialist will behave differently culturalwise compared to a Western socialist country.

The Values convergence “occurs when the organization behaves in the same way as it says it will.” (Silverthorne 2005, p.129) The values of managers resemble the values of the organization, which will create a positive relationship between the values and leadership style.

3.5.3 Embedding and Transmitting Culture by Schein

For a leader to be able to lead an organization there has to be a consensus on the basic assumptions between the leader and employees, as discussed earlier in chapter 3.2.2. Schein uses word “embed” in his theory book, which more psychological meaning compared to Schneider and Barsoux. (Schein 2010, p.235) When the Scheider and Barsoux model was for a cross-cultural manager, Schein’s model is a more universal model for organizational management. (Schneider et al. 2003, p.189) But with a clear organizational structure and how to lead and transmit culture in organization and since one cultural difference is “authority”, Schein’s model is also relevant in this thesis.

Schein divides the embedding into primary embedding mechanisms and secondary articulation and reinforcement mechanisms (Schein 2010). Everything starts from of consensus between the leader and employees for the basic assumptions and organization, or the group members have to have clear understanding about the rules, norms and terms inside the organization, as discussed earlier in chapter 3.2.2. Using this as a backbone, the leader can clearly define what the primary or key elements inside the organization are. With embedding mechanisms, the leader can teach his organization how to think, feel and behave based on the leader’s conscious and unconscious convictions.

Primary embedding mechanisms include six different “tools”:

- What leaders pay attention to, measure and control on a regular basis
- How leaders react to critical incidents and organizational crises
- How leaders allocate resources
- Deliberate role modeling, teaching and coaching
- How leaders allocate rewards and status
- How leaders recruit, select, promote and excommunicate (Schein 2010, p.236).

The most powerful mechanisms that the leader has available is what they systematically pay attention to. This includes everything from minor comments from the leader to systematic measuring, controlling and rewarding from the leader. Even casual remarks or questions, which are consistently geared to a specific area can be seen as a formal control mechanism. Consistency in paying attention is important, not the intensity. Consistent paying attention to key areas makes life easier for the employees and subordinates who then have a clear vision of what according to the leader are the key elements in the organization (Schein 2010).

When an organization faces a crisis, how the leader and managers deal with the crisis reveals important underlying assumptions and creates a new norm, values and working procedures. Crises are important in culture creation and transmission because heightened emotional involvement during such periods increases the intensity of learning. Crises heighten anxiety, and a need to reduce it is a powerful motivator of new learning. When a group of people share this kind of experience, they are more likely to remember what they learned and to ritually repeat that behavior to reduce anxiety (Schein 2010).

“How budgets are created in an organization reveals leader assumptions and beliefs.” (Schein 2010, p. 245) For example, if the leader’s own personal bias is against debt, the leader might easily turn down plans which are heavily financed by debt and prefer a plan which is not funded with debt. The manager’s decisions about the financial strategies influence directly their choices for goals, means to reach the goals and management process to be used. These beliefs do not function only as criteria for decision making but are constraints in decision making because they limit the perception of alternatives.

The leader's own visible behavior has a great value for communication assumptions and values to other members, especially newcomers. But there is a difference between formal and informal speech. Formal can be a videotape recording for new employees and informal some private message inside the company. Informal communication is more powerful teaching and coaching mechanism than formal (Schein 2010).

Members of any organization can learn with their own experience with promotions, performance appraisals and from discussion with the boss what the company values are. Message is delivered by these consistent actions from the leader; who gets appraised for doing the right thing and who gets punished by doing something wrong. The leader can get their own visions to subordinates by consistently linking reward and punishment to the behavior they are concerned with (Schein 2010).

A subtle way for leader to embed his or her assumptions is the process for selection a new member. Leaders tend to find attractive those candidates who resemble the present members in style, assumptions, values and beliefs. They are perceived to be the best people available to hire, and have abilities which justify their being hired (Schein 2010).

With secondary articulation and reinforcement mechanisms, leader can support the assumption of the right organizational culture. But secondary mechanisms have to be consistent with primary mechanisms. This will begin to build organizational ideologies and thus to formalize what is informally learned at the outset. If secondary mechanisms are inconsistent, they will be either ignored or cause internal conflict (Schein 2010).

Secondary mechanisms can be divided into six different mechanisms:

- Organizational design and structure
- Organizational systems and procedures

- Rites and rituals of the organization
- Design of physical space, facades and buildings
- Stories about important events and people
- Formal statements of organizational philosophy, creeds, and charters (Schein 2010, p. 236).

Design and structure refers how things are shared inside the company, like market areas and responsibilities. Some leaders' belief that highly centralized management, for just few people, will keep the decision making as effective as possible and keeping decision making into leader's own hands. Other leaders decentralize management and decision making to subordinates pushing authority as low as possible. Organizational structure can be used to reinforce leader's assumptions but rarely does it provide an accurate initial basis for embedding them because structure can usually interpreted in a number of different ways (Schein 2010).

Weekly or monthly routines, like reports or routines, helps subordinates to increase predictability and reduce feeling of ambiguity and anxiety. Although employee might not know the reason why something is done regularly, their existence lends structure and predictability otherwise vague and ambiguous organizational world. With this kind stability, leaders have an opportunity to reinforce their assumptions by building systems and routines around employees. (Schein 2010)

“Rites and rituals are symbolic ways to formalize certain assumptions and are, therefore, important artifacts to observe.” (Schein 2010, p. 253) These can be considered as key reinforcing mechanisms for cultural assumptions if the primary assumptions are made clear by the primary embedding mechanisms.

With physical space, facades and buildings are all visible features what clients, employees and visitors see. The message which can be inferred from the physical environment can potentially reinforce leader's message or cultural assumption but only if these structures are managed to accomplish this. If these buildings or facades are not explicitly managed, they may reflect the assumptions of architect or organization planning, for instance (Schein 2010).

During the time, organization develops and accumulates a history. This history usually includes stories about events and leadership behavior. The story reinforces assumptions and teaches assumptions to newcomers. However, this type of communication is very unreliable as leaders cannot control what stories are going around with their subordinates (Schein 2010).

Final reinforcing mechanism is formal statements of philosophy, creeds and charters. With formal statement, leader can try to say explicitly what their values are. These statements usually highlight only small portions of the leader's total view of cultural assumptions. With formal statement, leader can emphasize special things to be attended in the organization, like values. But leader cannot define the whole organizational culture by formal statements, just a part of it (Schein 2010).

With Schein organizational leadership model, leader can have multiple tools and ways to actually lead and manage people. (Schein 2010, p.235) As Schneider and Barsoux concentrated mainly what kind of person should cross-cultural manager be. (Schneider et al 2003, p.189) But with both theories taken into account, cross-cultural manager has good tools both what kind personality manager should be and how manager can lead people and affect to organization's culture.

3.6 Communication in Cross-Cultural Working Environment

“Communications is the most important tool to get things done and vitality and creativity of the organization depends on the content and character of communication”(Moran, Harris, and Moran, 2007, p.44). Basic features about communications are explained in next chapters. But as communication possibilities are limited in research problem, only basic features about communication is considered in cross-cultural working environment.

3.6.1 Definition of Communication

Moran et al. defines communications as follows: “Communication is a process of circular interaction involving a sender, receiver and message. In human interaction, the sender or receiver may be a person or a group of people. The message conveys meaning through the medium or symbol used to send it (the how), as well as in its content (the what)” (Moran et al. 2007, p.44). The message can be relayed either verbally or non-verbally, with words, oral, pictures or graphs.

In the same book Moran et al., is another definition presented by D.W. Kolpf: “ The process by which persons share information meanings and feelings through the exchange of verbal and nonverbal messages” (Moran et al. 2007, p.45). Individual must remember that the message which ultimately counts is the one which the receiver gets or creates in their mind, not the one which sender intended.

With these definitions, it is clear that the communication is not just that the sender is able to speak or other way tell his or hers message but the receiver has to also understand the message as it was intended. If the message is misunderstood, the communication becomes incomplete and can problems and difficulties between sender and receiver.

3.6.2 Communication in Manager's Everyday Life

According to study, average manager spends 75% of their time by doing some sort of communication. Writing, talking and listening is basic communication tools for every manager. Sometimes it is verbal communication and sometimes nonverbal. (Moran et al. 2007)

Every person is a versatile communicator with special language skills and characteristics. (Moran et al. 2007) People have different accents, different gestures and symbols. "Every person operates within his or hers own private world or perceptual field." (Moran et al. 2007, p.49) Every person has his or hers own view about the world and reality and how those should look like. This will have its affect to the communication. Communication is affected by the person's self-image, this projects person's values and beliefs into the communication.

Every person is also not just a sender or a receiver but also an instrument or a messenger for communication. With influencing or altering the message, person can change how the receiver gets the messages. (Moran et al.) Different generations have their own concept of behavioral communication based on the world which they were or are living. People will experience the life differently which will affect how they will communicate as their self-image or sense of reality might be different compared to other generations.

Silverthorne in “Organizational Psychology in Cross Cultural Perspective” considers the difficulty of translating. He suggests so called back translation. The original document is given to somebody who has experience in translation and has knowledge about the culture of the new language. Once translation is completed, it is given to a second and independent translator, who translates the document back to its original language. (Silverthorne 2005, p 20)

The original and double-translated documents are compared to see the possible differences during the translation process. Adjustments are made to reconcile any differences. While this process allows for an accurate and relatively literal translation, it does not always accommodate subtle differences in the meaning of the words. (Silverthorne 2005, p. 20)

4. Interviews with the Employees and Specialists

4.1 Thesis Type

The purpose of this thesis was to decipher two cultures and find a way for how to manage cultural differences between these two cultures. Since this thesis is highly involved with human beings and the results and answers have been received by interviews and questionnaires, the data is not precise and the replication of this study with the same results is difficult. The author the thesis is not an employee or anyway related to Transport Eklöf, author is just an external researcher with limited time and resources to spend.

Schein defines quantitative versus qualitative study based on the involvement level of the researcher in the organization (Schein 2010, p.179). The level is from minimal to maximal involvement. Involvement means in this case what the own exposure of the researcher is to the studied organization or how deep the researcher studies the organization. From a low to medium involvement, Schein defines the study as quantitative. With a high involvement, the study becomes qualitative.

As the author is an external researcher, author not have the trust or confidence from the employees, this case the Hungarian truck drivers, so that they would really give honest answers. If there would have had longer time to spend with the drivers, months not days, then the results might have been more honest. Also, author's knowledge of the Hungarian culture would have developed in real the environment by spending time with the drivers.

So now author is seen as purely external researcher for this subject, with the knowledge gained mainly from the theory and interviews, not by own experience in the Hungarian culture. As a native Finn, author can recognize the cultural differences between the Finnish and Hungarian cultures but cannot see the situation from the Hungarian point of view.

With these limitations kept in mind, this thesis is defined as quantitative, with some features from the qualitative study as Schein has defined them. (Schein 2010, p.180)

4.2 How to Decipher Organization

Schein has also written about how to do research in the organization. As stated earlier, author consider as an outsider researcher since author's knowledge about the Transport Eklöf and their organization or Hungarian culture.

According to Schein, a researcher should follow specific steps when doing the research. First, he or she should visit and observe the organization. With this visit, the researcher should identify artifacts and processes that puzzle him or her. Based on these findings, the researcher should ask the reasons why things are done like the way they are done currently. The researcher should identify espoused values which appeal to him or her and ask how those are implemented in the organization (Schein 2010, p.184).

After these, the researcher should search for inconsistencies and ask reasons for them. Based on everything that the researcher has learned about organization and deeper assumptions actually determine the behavior the researcher has observed. (Schein 2010)

4.3 Methods to Gather Background Information

The background work for this thesis was gathered by interviewing different people and from studies done earlier in cross-cultural management. People who were interviewed are considered specialists in their own area or branch and are considered to have vital information for this thesis.

Interviews with specialists were made as theme interviews; questions were asked which would be relevant to thesis and the person would answer. After each interview, there was an open discussion to find out if there was some information missing that the person would see important for this topic.

4.4 Interviews with the Specialists

Specialists were gathered together with the CEO of Transport Eklöf and considered the people which would have some important information for this thesis. The interviewed people were not only from the area of logistics or transportation; among interviewed people were people from other science areas or who have different aspect to topic of my thesis.

The interviewed people were: a professor of Hungarology, an employee of Finnpro in Budapest Hungary, a former forwarder who has been working with Transport Eklöf, an accountant who has many years of experience working in Eastern European countries, a translator who has helped company's CEO while he has been in Germany.

4.5 Interviews with Professionals

The professor of Hungarian literature (see Appendix 7.4) gave many good theories. Hungarians are afraid to use foreign languages because of lack of support from other native Hungarian. The soviet era is still visible in many areas of working life. Respect towards company property is low, a manager has to have clear authority and entrepreneurship is not highly valued. Also the current economic situation has made Hungarians feel like second-class citizens compared to Western people. As a solution, the professor suggested cross-cultural learning for Finnish managers about the Hungarian culture, developing a common goal for the employees and managers and having a Hungarian "middle-man" to support drivers with their native language if they are having problems.

The Finnpro employee, Szabols Bede, says that the truck driver profession in Hungary is not respected. Truck drivers are considered to be in the lower part of social hierarchy. Hungarian people who become truck drivers have usually a lower educational level than on average citizen in Hungary. Bede's comment on the idea of road safety in Hungarian people is the mentality "if it is not broken, why to fix it?" But of course there are similar ways of thinking in other cultures as well, including Finnish people.

In Bede's opinion managing Hungarian people is challenging. If an employee does not like his task, he might try to find an excuse to avoid that task. This can be seen as lack of discipline towards the authority and manager. Hungarian people are not punctual people, as Finns are.

If there is an accident, a Hungarian driver might have difficulties in understanding why it is such a bad thing and how it has an influence on their salary. This is related back to the Soviet Union, where everything was owned by the government. If something was broken or there was an accident, employees were still getting their money regardless of their performance.

4.6 Interviews with the Employees

Several interviews were conducted among employees and they were asked them to fill anonymously an Excel questionnaire about the company. The questionnaire included five multiple choice questions with answers from "I totally disagree – I totally agree." As a last part of the questionnaire, people had a possibility to give two or three comments on what to improve in the company. Questionnaire was originally made in English, from which a translator translated it into the Hungarian language. After all the answers, the translator translated all the free comments in English so that results could be presented in this thesis.

15 people out of 45 employees answered this questionnaire. It is a good figure, compared to the fact that there were around 20 employees at present while interviews were made. The rest of the employees were driving or on holiday.

Answers are constant, the variance is quite low. Only the questions about the manager's personal abilities show clear dispersion in answers. Maybe the employees were not sure about the consequences or did not understand that all the data will be anonymous. The data about the personal abilities could be different if this same interview were done in another time. The questions were asked in the driver's native language Hungarian, by a translator, so placing the question was not the problem, the problem was the lack of trust towards the researcher and manager how that information would be used.

Without a deeper exposure or spending time with the drivers, it is impossible to get reliable data. Hungarians require the personal connection with the researcher to be completely honest and open about their manager, as based on theory and Appendix 7.4 interview with the professor of Hungarology and the professor of literature.

If this interview were done again, the answer could be different. Some drivers were angry and disappointed with their manager's actions, which clearly affected the driver's answers to the questions. There were 15 drivers out of 45 drivers who answered to the questions, but since the results are constant it could be said that the answers resemble the opinion of the majority of the drivers. With a larger sample, the answers could have been the same with the same results: clear opinions on some questions and varying answers to questions about the management. But there is one interview with a Transport Eklöf's employee which changes the questionnaire results.

Transport Eklöf's Hungarian manager, Lendvay Beatrix (see Appendix 7.6) says that drivers do not consider the CEO of the company as a professional driver or that he would be able to do their job. According Beatrix this causes lack of confidence between the drivers and management. This puts the driver's answers to different perspective, and it is very hard to say how valid and honest the answers in the questionnaire are.

Beatrix's opinions were highly valued because she works with the Hungarian drivers and speaks their language. According to the professor of literature (see Appendix 7.4) and the results of the Project Globe, Hungarians are group orientated and feel discomfort when using other than their native language. When adding all this together, Beatrix's opinion decreases the value of the questionnaire for this thesis; the results are unreliable.

In the interview, only questions which are easy to answer were asked: "yes-no-I do not know." Based on this, answers were transferred into a quantitative model to evaluate the answers and to really see what the overall opinion for the questions. The interview was also conducted anonymously.

The questions asked from the employees were based on what Schneider and Barsoux defines, as key features for international managers. These questions were personal related to the company's CEO, Keijo Eklöf, as a person. The questions were about his character and about his having sense of humor. Other questions were related to the company and how the employees saw the company's culture and what they thought or knew about it. These answers were used to support the theory about cross-cultural management or trying to find topics or issues which were not noticed before.

5. Results from Interviews and Questionnaire

There can be distinguished similarities between the specialists interviewed answers.

The Key points are as follows:

- Cultural differences in work culture
- Authority in the Hungarian culture compared to the Finnish authority
- Hungarian people ideology about economics

Each of these subjects is quite vast and universal. The point of this thesis was not to find out a way to solve these problems; it would be more or less impossible and not feasible. Instead, the main idea was to find tools and methods for to reconciling the differences to develop co-operation between the Finnish managers and Hungarian drivers.

Based on the questionnaire, there are similarities among the answers as follows:

- Employees are not aware of the company goals
- Employees tolerate well uncertainty
- For employees it does not matter where the manager is physically located
- Communication between the CEO, translator and employees works well, employees understand what the CEO is saying
- Every employee thinks that the CEO, Keijo Eklöf, has the competence to do their work if needed
- Most of the employees see Keijo Eklöf as patient man
- But there is a tie whether Keijo Eklöf a has sense of humor
- Attitude towards a Western employer divides employees in two halves, as does question about respect from the employer to the employees
- Employees do not trust Hungarian government at all

- Almost every driver sees the training and using own thinking as a positive thing
- Everyone except one prefers short and polite messages via on-board computer.

Free comments were divided into a wider area, but there are some same suggestions which are repeated in many answers. All the answers are available in the appendices.

- Salary should be on time
- Respect from managers towards employees
- Developing communication with increasing face-to-face communication and not only about work related issues.

Exact answers can be found from an Appendix 7.8 and Figures 5-10.

6. Defining Best Practices & Conclusion

6.1 Clear Goal and Methods for Reaching It

On a larger scale, lack of goals was identified as a major issue. This goal could be something related to the company's plans in future related to finance or services, for example. Schein defines having a clear goal in organization as a vital issue. When employees know why something is done in some way, it will help them to accept the methods used to reach that goal. Manager can use other supportive methods as a tool to reach that goal.

In this case, bringing something like financial concepts or market situation to people with a low education level is challenging. When you add the conspiracy and searching for the double meaning (see Appendix 7.4) getting the message through as it is intended is extremely difficult. Although a manager could keep his message short with only the basic idea and nothing else, based on theory about communication receiver, the might understand it completely differently because of the different view of life. This can be dangerous and can cause difficulties in the working environment.

It might wise to start something that Varova has (see Appendix 7.6). Varova has a five-year time period in which every year they are concentrating on improving one aspect of business. Eklöf should start from something easy to understand and something which is tangible. Something what the driver with a low education level would understand and get to use to idea of improving the company's way of doing things in small steps.

Easy subjects could be: not to drink and drive, showing up in the work place on time or doing some small operator level maintenance tasks. With these easy steps the company can decrease the number of accidents and increase the reliability of timetable etc. The advantages of these improvements can be counted in money, which gives clear results immediately.

If employees are doing well and things are improving, it should be rewarded somehow. But if not, there should also be some kind of punishment. Based on the interview with the Finnpro employee (see Appendix 7.5) and the professor of Hungarology, (see Appendix 7.4) money is what counts for the Hungarian people. But when there is the lack of trust for the employer, this is difficult to implement so that every employee knows why he received or did not receive the bonus. Some other ways must be found to reward and punish employees other than money related.

Maybe it is something like a sauna evening but with a Hungarian twist, or something similar. As long as it is something that is easy to explain, tangible, open and can be seen really as a reward or punishment. The reward and punishment should be for the whole group, not individually. Because if only one person receives a reward and the rest of the employees are punished, it will be terrible for working environment.

With these easy steps, from the Finnish point-of-view, the manager can use this as a tool to reach the goal. Employees might not even understand the goal itself but they are working to reach that goal without knowing it. (Schein 2010) Differences between socialism and capitalism have also to be considered; Hungarian drivers have a different view about the company's property and financial status. If these easy steps work out well and drivers are committed to acting according to them, the manager can present more demanding subjects. But when the subjects are getting more demanding, the amount of supervision should increase as well.

Although the current Hungarian situation is turning from Eastern European in Western European, it will still take decades for the work culture to disregard the socialistic culture. According to the professor of literature (see Appendix 7.4). This phenomenon is called crossvergence (see Chapter 3.2.3).

6.2 Increasing Face-To-Face Communication and Management According to the Project Globe Results.

Drivers hoped to have more face-to-face communication with the manager. Schein says that face-to-face communication will improve trust between employees and managers. In this case, with a highly mistrusting environment, this would be a vital improvement. But, as the professor of literature (see Appendix 7.4), the accounting manager in Hungary (see Appendix 7.3) and Project GLOBE says; Hungarian manager has to have authority over the employees.

A manager cannot be a “buddy” with the employees, which is totally opposite to the Finnish practice. This is a huge cultural difference between Finland and Hungary. As an addition, the language barrier is a problem. The manager has to use translator, which always causes suspicions among the Hungarian employees.

Based on interview with the professor of literature (see Appendix 7.4), and the theory about cross-cultural management, the manager should try to keep communication short and simple keeping in mind the cultural empathy and sense of humor. This also relates to the translator who should try to do the same and not to use long sentences or give long explanations. But the manager should also try to understand cultural differences and to ease the situation with a bit of humor. On the other hand, humor and jokes are extremely dangerous; if they are understood in a wrong way, the result could be disastrous.

When there is a translator involved, it makes communication harder. Based on the questionnaire, every employee sees the manager as a person who would be able to do his job. So employees see their managers as professionals in the truck driving, which according to Schein’s theory is how it should be. The only questionable issue is Beatrix’s comments in Appendix 7.6, which decreases the value of the questionnaire.

Trying to reconcile cultural differences between Hungary and Finland, when the concept of authority in the two cultures is totally opposite from one another, is challenging. Trying to solve the issue completely is impossible and reconciling is difficult when there is only one side that is willing to try to change their habits.

6.3 Increasing the Use of Hungarian in Communication

Drivers hoped in the questionnaire be able to use more their native language in communication with managers. The professor of literature (see Appendix 7.4) also suggested that this might bring support to drivers when there is a problem or they need help. The only problem is that Finnish managers do not speak Hungarian and learning the Hungarian language is not easy, although the Finnish and Hungarian languages belong to the same language family. (Tuuri 2008)

The company has a Hungarian employee in Hungary who can speak Finnish and Hungarian. But she does not have experience about organizing transportation or other subjects that the managers are doing in Finland. She is running the daily business of the Hungarian subsidiary. So increasing her role in management is challenging.

Even if the company could hire a person with Hungarian and Finnish language skills to run operative management, there is no guarantee it would ease the situation. A Former freight forwarder (see Appendix 7.6) suggested this idea about a so called “middle-man.” If the person is Hungarian, there is still the cultural difference in some cases. Although the person might understand more about the Finnish culture, there is still the cultural difference, and vice versa if the person would be Finn. No matter who the manager is, even if it would be Hungarian, there still would be the mistrust of between employees and manager, based on the interview with an accounting manager, (see Appendix 7.3) and professor of literature (see Appendix 7.4).

Daily communication with the drivers is limited only to on-board computer and the short messages. That is the basic management tool for the managers. In questionnaire, the drivers hoped more human like touch and communication with a simple greeting and then the message itself, in a short and simple way. Since the drivers overall English skills are poor, the simple message with the simple English is an only option. As the professor of literature in the Appendix 7.4 says, Hungarian people are not expecting small talk; maybe a simple greeting and then the message. Short and simple.

Maybe the managers could create readymade answers for the most frequently asked questions in English. The Hungarian language is not an option since the managers are not familiar with the language. And if the driver would answer in Hungarian language, the managers would not be able to understand the answer.

6.4 Training of employees

Hungarian drivers have a lower education background than the average Hungarian (see Appendix 7.5). Drivers do not simply have a culture for studying. Although in the questionnaire the drivers answers were positive towards training, but there so many interviewed person saying otherwise; the CEO of the company, the professor of literature and the Finnpro employee Bebe. This is just one example of the contradictory with the questionnaire's answers.

Since the employees see the training as a punishment, the need of training should be presented to them in some other way. Of course, there is mandatory training to be done, when there are new regulations or laws. But would the attitude towards training change if the employees would have a possibility to vote or to have an impact what the subjects are? Some heavy training program made by the managers with tight schedules and topics would not be a success; that would just raise the objection towards training. Pre-made schedule might work well in the Finnish culture with higher education background, but not in the Hungarian. This training is voluntary for the employer and is not considering the new laws and regulations which are mandatory to teach.

The drivers are on the road most of the time and only some weekends in Travemunde at the garage taking a mandatory rest. This might work as follows:

- The drivers are given 8 topics to choose from
- They have some time to vote, like a week. Vote could be done electronically so that everybody can take a part.
- 4 most popular topics are chosen and the results are published
- These 4 topics are taught in the Travemunde garage, 1-2 topics per weekend. Not more since the drivers have other things to do on their free time as well
- These 4 topics are rotated on separate weekends so that most of the drivers have the possibility to attend
- This could be a project with a longer period of time. These for 4 topics could be rotated like 2 – 3 months and the trainings would not be on consecutive weekends. Once or twice a month.

This suggestion might work to raise the driver's interest level to training. As the CEO of the company in Appendix 7.1 says, the heavy and long training sessions do not work. This program can be repeated many times per a year and there are numerous amounts of topics to choose from in the field transportation. This system would be light, employees would have their say what are the topics and if this works, it would decrease overall costs with fewer accidents.

6.5 Suggested Management Methods

Author of this thesis is not an employee of Transport Eklöf. Without exact knowledge of organization structure, presenting exact methods is hard. Implementing these suggestions were left to the CEO of the company. Based on the results presented above in the Chapters 6.1-6.3, the following tools and methods were suggested for management:

Setting clear goals to employees. By doing so, the manager can lead and use supportive methods to achieve those goals. Also, employees would feel more secure when knowing the direction and purpose of the manager's actions in the whole organization. Schein defines setting goals as key management methods in Chapter 3.5.3.

Defining clear organizational structure. For the manager to be able to manage effectively, organizational structure has to be clear. Without it, explaining the structure to employees is difficult. With clear organization structure, defining each employee's and manager's task and goal is easy.

Management should support employees to achieve the placed goal. The manager should give also psychical tools and methods for the employee to understand the goal and ways to reach it. Without the psychical tool, the employee is out in the woods without a direction how to reach the goal. These tools can be clearly explained organizational structure to understand what it is the role for the each employee in the organization. When the employee achieves the goal, the manager is easier to give recognition for the achievement. Positive outcome is the increased trust between the employee and the manager.

Rewarding and punishing employees. This goal is related to the goal above, but vital for effective management. Through rewarding and punishing, the managers can encourage the employees to the right track and correct procedures. The reasons and figures behind this system should be crystal clear to the employees; otherwise it will cause more unreliability and discomfort. Maybe it should be something easy and simple at first, as have been explained in Chapter 6.1. If this system works and is accepted by the employees, the manager can go further with this idea and try more challenging topics.

Leadership style based on the results of Project Globe. Finnish managers should study carefully the Hungarian results in Project Globe. Based on the results, they should try to change their leadership style to be more suitable for Hungarian people. This is very difficult because of the limited communication. This leadership style would consist of more face-to-face communication, with a translator. See Chapter 3.4.5.

Increasing use of native language in communication. Manager should try not only think the message itself but also the way how it is presented to foreign culture people. A Translator will translate the message in a right way, for sure. But to make it sure that the receiving person understands the message correctly is difficult. Using so called “middle-man” with culture knowledge from both cultures is the key. This person will understand the original message and what is tried to say with the message in foreign language. After the person has understood the message, then the person can explain it in correct way onwards to the same culture background people as the person originally is. This increases the success of communication considerably.

Use of explicit language in communication. When communication possibilities are limited, only simple greeting and after that the message. The managers could also consider creating the readymade answers for the most frequent questions. This would decrease the complexity of communication, might decrease suspicions from the employees and save managers time. Back-translation, see Chapter 3.6.2, should be considered to reconcile possible translation differences.

Increasing the manager's professionalism in the eyes of the employees. Based on the questionnaire, drivers are not sure about the manager's professionalism: are they capable to do the same tasks as drivers? If managers would have the drivers respect because of their professionalism, it might decrease the unreliability and discomfort of drivers. The method to earn a driver's respect is simply to go out and drive and show in reality that one has got what it takes to be a driver.

Following cultural trends. The Hungarian culture is going all the time towards the Western culture, cross-verging. The Finnish managers should try to improve or support this change with favoring the management method which suites more to the Western culture than the Eastern. There is no point to stay with the old ways, instead trying to with go-with-the-flow where the change is going. And if the tide is turned around, so should do the management method as well.

Using multiple ways to educate employees. If the old way is not working, there has to be other solutions as well. The manager should think other ways to raise the interest for training. Are the words always the best way to present the topic, could the manager use a picture and explain the topic through the picture? Letting employees taking a part what are the topics, change how the training is done and when it is done etc. What works in the Finnish culture might not work in Hungarian. As Schneider and Barsoux in Chapter 3.5.1 presents, the manager should have cultural empathy and willingness to adapt, not just own personal abilities but also the management methods.

When possible, use of sense of humor but with extreme caution. As Schneider and Barsoux in Chapter 3.5.1 define, the sense of humor is listed as one of the features for a cross-cultural manager. The sense of humor can relax and bring ease to some challenging situation. Also winning employees trust and helping the manager to adapt to foreign culture is helped by the sense of humor. But the sense of humor is like two-edged-sword; it can be misunderstood and turn against its user.

Learning from the past. There are numerous merges done in business life between different cultures. Some of them are great success, some of them are not. There are numerous studies made from these merges. The results and reasons from these studies are highly recommended to go through. Recommended case study about merges is one between Mercedes-Benz and Chrysler in the late 1990's.

6.6 Future Studies

When these suggested management methods are implemented and brought to use, follow up is crucial. What are the effects, how the employees see and feel the changes and have there been any change compared to the situation before this thesis. The questionnaire would be wise to do again and compare the results with the first one. From the results, the possible changes are easy to see. Also, the questionnaire is quite easy and time-saving option to measure the effects of the changes.

If Transport Eklöf would like to study this problem and research plan more deeply, they would need to hire a person with cross-cultural and organizational management knowledge to drive the truck together with the Hungarian employees. That is the only way to get deeper with this subject and to earn the drivers' respect to get honest answers. According the Schein (see Chapter 4.2) there is no other way.

6.7 Final Notes

Finding a solution and a management method which works between the Finnish and Hungarian working culture is extremely challenging. There are just so many issues and factors, which are overlapping and canceling many of the management options out. This thesis is about management and finding a solid solution to this thesis's research plan is impossible. Based on the theory and the results from the Project Globe, the Nordic cluster and Eastern European cluster are far away from each other. When communication is done via computer, not face-to-face, and there is a lack of common language, these just makes finding a solid solution to the research plan even harder.

With the limited resources and time, overall result of this thesis is more locating and finding the major differences between these two cultures. Based on the theory, theoretical management methods for this situation were presented during this thesis. How to manage and work efficiently in this situation is more or less through trial and error. As a result of this thesis, there are clear boundaries, features and rules presented from both the cultures to help the manager to navigate between these cultures. Through these, manager is easier to rule out what not to do and instead think; would there be a way to go around the problem and solve it another way? To give the manager hint and tips how to improve the performance of the management.

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7. Appendixes

Appendix 7.1 Summary of Interview with CEO and Transport Operator

The biggest challenge for managers in daily work is language problems, or lack of language skills. Because most of the drivers are usually only able to speak Hungarian and transport operators language options are Finnish, German or English. So there is no common language that both the parties would be able speak and understand.

There are a few exceptions among drivers but large share of the drivers are not able to communicate even on a satisfying level in German or English. This causes problems to understand the free messages sent via on-board computer, understanding some document or cargo related issues and if there is an accident or some emergency, it is very challenging for a driver to ask for help.

According to the transport operator, the communication between drivers and them is sometimes difficult because of the negative attitude what the drivers have towards the transport operator. If the transport operator does not agree with the driver on something, usually the Hungarian driver might threaten the transport operator with something. For example quitting his job and leaving the truck and trailer somewhere. Transport operator says that if he or she would agree with the driver, then everything would be fine. But these kind of threats are not custom in the Finnish work-culture and as foreman, Finnish transport operator has difficulties dealing with these threats and negative attitude.

Driver's lack of respect and pride for their work is causing problems with driving routes and using of commonsense. Drivers are allowed to choose their own route to drive to destination but sometimes the chosen routes are not suitable for heavy trucks or vehicles. These are clear driver errors and these happens couple of times per month.

Respect towards drivers own work is seen as accidents which happens to the vehicle, overall negligence in securing the cargo and handling the documents. Amount of these kinds of accidents would decrease with the right attitude and taking more care for the tasks. Solving these problems are causing transport operators extra work and of course extra costs.

CEO of the company wanted to emphasize the lack economic view of the drivers. The Hungarian drivers do not see the relationship between the financial result and how they are performing their task. The CEO says that if feels like that the Hungarian drivers thinks that the money just comes out of somewhere and it does not matter if there is lot of accidents or other extra costs. Hungarian drivers do not seem to realize that company' financial wellbeing correlates directly to their own financial wellbeing.

Searching for hidden meanings from every message is habit among the Hungarian drivers. According to the transport operator, if he or she sends something, even a pretty simple message, the driver might answer "and what is the real meaning?" It feels like that from every message the drivers are trying to find some different meaning that the message is actually saying.

Driving under influence is also a problem according to the CEO and transport operator. The Hungarian drivers do not seem to realize that it is illegal, dangerous and they will lose their license and their job if they are caught. Foremen are saying that “do not drink and drive” but still the drivers are doing it. Now the company is planning to install breath alcohol ignition interlock device (BAII) to the trucks to eliminate this problem. This BAII installation is extra cost for the company. Driving under influence is not only a problem among the Hungarian drivers, but it is a wider problem among the rest of the professional drivers.

Appendix 7.2 Interview with Klaudia Väkeväinen, Hungarian Translator

Väkeväinen said that neutral means bad in Hungary. If an employer tells that employee has done its job, without any praising words, employee thinks that him or hers performance has not been accepted or thought to be bad quality. The Hungarian people use often superlatives to describe how the employee has performed his or her task. Like in the CV, the recommendations can include many adjectives, like superb, fantastic or outstanding. These words are rarely found in the Finish CV's.

Money is the highest motivator in Hungary, according the Väkeväinen. Money plays an important role in a social status, but the family has also a great affect to the social status. In couple of decades ago, people asked directly from a total stranger how much money they are earning. Nowadays the culture has changed, but people can still ask quite straight questions from a stranger. Like does he or she believe in God? This kind of questions does not suite to the Finish culture. If somebody asks in Finland from a stranger that do you believe in God, the person is thought to be pushy and rude.

Hungarian people are not used to say “no”, according to Väkeväinen. Instead saying “no”, the Hungarian people try to go around it and say; “unfortunately, sorry”. They avoid saying directly “no” to other people. When Hungarian people tries to avoid say “no” directly, they are also overly polite and use many words and phrases to say that they are sorry, but they cannot do it, for example.

The same way of not saying directly is with accidents and if something bad happens or people makes mistake. Väkeväinen said that the Hungarian people try to explain the accident or what has happen so that they are not the reason for it. The Hungarian people use many explanations or phrases to try to lead the people to find another reason to blame. This is not so simple that it seems, according the Väkeväinen. She said that the lack of trust towards the employer, especially in this case where the employer is from so called “A” -country, is one factor. People are afraid to admit that they made a mistake, because the employees are afraid of losing their job or what would the other drivers say.

The modern society sees Soviet Union era as a bad thing, according to Väkeväinen. Soviet Union collapsed around 20 years ago and many of the current working employees have not been working during the Soviet Union. The younger people are more open to entrepreneurship than the older people. Younger people see the capitalism as a better option than Soviet Union model.

The role of women in Hungarian society is not similar than in Finish culture. One of the TransportEklöf's traffic manager is a woman, so it is unclear how the men truck drivers accepts woman as boss, according to Väkeväinen. In Hungary woman as a boss and telling orders to men is still strange and not so familiar. The CEO Keijo Eklöf has said that woman as a traffic manager is not a problem according the truck drivers themselves.

Motivation towards getting paid by the result and work performance, Väkeväinen thought that it could be a problematic. It has to be explained very detailed level how the performance is measured and how it affects to truck driver's salary. Because there is already suspicious towards the employer, if the salary system is explained quickly and it is unclear, the drivers will not be happy with it.

Väkeväinen agreed with the other experts opinion that money is what counts in Hungary and people think everything in money. Väkeväinen though it could be hard to invent any other forms to award employees for good performance than giving them money. One option what Väkeväinen suggested was “employee of the year” -type of award. Main question is that will the person who receives the award respect it enough? Is it such a glory that employee is willing to do extra for the award. In some business branches in Hungary this kind of system is used but these businesses have higher social status and the employees are more proud of their work than truck drivers are.

Appendix 7.3 Interview with the Leinonen Group

Leinonen Group is a management accounting company, which provides different kind of accounting services to its customers. The company has been established 1989 and since then it has been spreading to the Baltic countries and East-Europe. Main customers are foreign companies which operate in the country with foreign capital. Pekka Myllylä, the CEO of the Hungary office, and Andras Juranyin, the head of finance department, took part of this interview.

Myllyllä said that the Hungarians require more supervising from the manager than Finns, especially when the distance between the manager and employee is long. Although something is agreed with the Hungarian employee, it still requires strict supervision compared to Finns. Hungarians has tendency to leave something undone, if the manager is not paying attention. Hierarchy is obvious in the Hungarian working culture compared to the Finnish working culture. The manager really is a boss, when in Finland the boss is more of a friend than an actual boss.

In Hungary, the manager needs to show respect and appreciation towards employee's performance. Usually it means that manager says to employee "good job" or something similar. When in Finland, the manager rarely goes to employee and says thank you for your work. In Hungary, the work culture is more personal than in Finland. Like doing business, it is more trust based than contract based. If Hungarian does not trust to other party, the deal is probably not going to happen. When in Finland, the trust between parties is not so important compared to actual contract itself.

In Hungary, salary is thought as intrinsic value. There is historic reason for this; during the Soviet Union era, it was irrelevant what the quality of the work was. The salary was paid always and with the same amount although the quality might have been bad. Myllyllä thinks that this same kind of model is still there. It does not matter how well the job is done, but as long as it has been done. In Finland, the job itself can be seen as intrinsic value. It is important to have place to work and where to earn living. Otherwise, Finnish people can think that unemployed people is lazy or are unwilling to work.

Myllylä thinks that these are the reasons why the commitment to current job in Hungary is poor. It is a problem in all of the East-European countries so Hungary is not the only one. This problem is especially obvious in the areas where the respect from the society is low. Employees try to avoid their own responsibility if something happens. This phenomenon is in every East-European country, according to Myllylä and Juranyin. Employees try to explain the accident so that he or she is not to be blamed for the accident. One other reason for this is a lack of trust towards the employer. Also respect towards employers' property is low.

The current economic situation is a one big factor for this phenomenon. The Hungarians have already extremely low trust towards their own government. History can be seen as one reason for this. When the Soviet Union collapsed and everything what the government owned became public, the leader and politicians were the biggest "thieves" in the eye of the public, according to Juranyin and Myllylä. The leaders used the government property to gain own financial benefits. This has caused suspicion towards government and what the politicians are saying.

The current economic situation in Hungary is bad and politicians are forced to raise taxes. But the people are unwilling to pay because they do not see the result of paying the taxes. Normal people think that somehow the politicians steal the money or something similar. In this kind of environment, foreign entrepreneur is very challenging to operate. Normal employees are suspicious towards entrepreneur' and especially foreign entrepreneur'. Reason for this can be found from bad experiences losing the job suddenly or something similar. Also the economic situation decreases the trust towards steady work place, so the motivation is low among the employees. According to Myllylä and Juranyin, one good solution could be making long contracts with employees, especially with so called key employees, which have a long career in the company.

The manager has to earn the respect in the eyes of the employees. The manager has to show that he or she also knows how to do the same tasks, what the employees are doing. If possible, little bit better than the employees to show that he or she is the manager for the right reasons. A Manager in Hungary should not be afraid to punish or give reward if it is necessary. This shows to employees that the manager knows exactly what is accepted and what is not. With these kinds of actions, manager should be seen as a strong manager, with authority, and to earn employees respect. Without authority, Hungarians do not see the manager as a foreman and a weak manager is not respected.

Myllylä said that the Hungarians attitude towards him has change at the moment he has said his nationality. For some reason, a Finn has positive first impression in Hungary. Myllylä is not sure for the reasons and there can be multiple factors related to it, like historic and the business relationship between Finland and Hungary. Similar language can be a factor. One similarity Myllylä has found out between Hungarians and Finns; both have negativity or pessimism as natural attitude.

Myllylä and Juranyin said that the management by objectives is not very common in Hungary; at least compared to the rest of the European countries. Coffee vouchers and things like that are more common in Hungary as a bonus or reward.

Appendix 7.4 Interview with the Professor of Hungarology and the Professor of Literature

Interviewed person were the professor of Hungarology Tuomo Lahdelma from University of Jyväskylä and György Tverdota, a professor of literature.

Tverdota said that it is still like it was in the Soviet Union time. Employees still think that it is not somehow allowed to think, although the Soviet Union has not existed in 20 years. Tverdota mentioned that one issue might be employee's uncertainty of using foreign language as a communication tool. Also, a lack of immediate support from the people with same language is missing. This increases the level of uncertainty.

Tverdota was asked why the employees do not think what might be best for them. A burned light bulb was used as an example. Employee does not change the burned bulb because it is not told. Although changing the bulb might increase safety and help the driver to accomplish his work. Answer to this was the lack of discipline. The truck still works although the one headlight bulb is burned.

About the entrepreneurship Tverdota said that the image of the entrepreneur is negative. When the Soviet Union collapsed and there was possibility to become an entrepreneur, people expected to get rich immediately. When this did not happen, the attitude towards entrepreneurs changed. Nostalgia was developed because of this. People were missing the Soviet Union era.

Tverdota said that one factor is the current economic situation. Hungary is in deep financial crisis and needs money from rest of the European countries. This is why the Hungarians feel like they are second-class citizens in European Union. This factor develops uncertainty and loss of trust towards countries and citizens who have lent money to Hungary.

For carelessness, Tverdota said that this also comes from the Soviet Union era. During the Soviet Union, the government owned everything. Employees thought that they could steal whatever they wanted. Everything was owned by them. This model is still very strong nowadays. So the motivation towards company's belongings and property is still in the same level it was during the Soviet Union era.

Tverdota continued that also the loyalty towards employee and especially Western employee is poor. Employees think that financial benefit does not come to their benefit, only to benefit the employer. That kind of thinking is from the suspicious towards the Western people. Tverdota said that biggest motivator is simply the money. That is basically the only thing which can increase the motivation towards the job. But the possible benefit has to be big enough to make a difference.

Tverdota said that the manager has to have authority. Manager cannot be "a buddy" with an employee. Also the hierarchy has to be obvious and clear. People with lower education level are unwilling to take part of training, according to Tverdota. They do not see any reason for this because the things still work. Why to change the system then? Also, training is seen as an extra burden, not a benefit. Hungarian people with a higher education level are more willing to take part to training.

The employees do not trust to employer and that is why the contract is so detailed. Also, Tverdota said that people might have bad experience from the past. For to change this attitude, the whole Hungarian society would need to change.

Hungarian people does not use small talk when they use short messages, like SMS's, according to Tverdota. Most important thing is the subject and the messages itself. When an employer sends a message, it should be straight, clear and include the key idea. This shows that the manager has authority to lead people. Searching hidden meanings or messages from the text is a tradition from the Soviet Union era and it could not be changed, according to Tverdota. Hungarian people has done it always and best way to get around it, is to keep the message short and simple to show the the employee that the manager has authority over them.

Tverdota gave some hints or tips for Transport Eklöf how to manage Hungarian employees. Couple of solutions was given; first one is that Finish managers would study Hungarian culture so that they would be familiar with the Hungarian way of thinking. Other solution was to develop a common goal and a way how to get there. This should be presented to the employees. Third solution was to educate the manager in Hungary about the Finish culture and create her as "middle-man" between two cultures. And if the truck driver is having a problem, she would be the first person that the employee could contact because of the knowledge of Hungarian language.

Appendix 7.5 Interview with Szabolcs Bede, Finpro Hungary Office Manager and Market Analysis

According to Bede truck driver's profession is not respected in Hungary. This limits the amount employees becoming as a truck driver. Truck driver is not wanted profession. Person who will become a truck driver has usually a lower education level than the rest of the Hungarian people. Overall, they can be placed to lower part in social hierarchy in Hungary. Truck drivers at the age of 40 are used to move around in the Europe and are familiar with the European wide business. As the Hungary is part of the EU, it is easy for the drivers to seek a job opportunities in the rest of the Europe.

The work culture differences between Finland and Hungary are obvious. Compared to the Finnish employees, Hungarians have a different kind of attitude towards safety. Hungarian drivers have a mentality that if it is still working, why to fix it? As an example, the driver will not change a burned bulb because the truck is still moving. Although changing the bulb would increase safety and help the driver to do his or her job. Of course, these are stereotypes. There are some Finnish truck drivers who would do the same thing.

A lack of discipline for the Hungarians is one issue. This can be seen as lack of discipline towards authorities and manager. If manager gives a task, what the employee is not willing to do, employee will more likely try coming up with a reason to avoid doing the task. This is again compared to the Finnish employee. In this case a Finnish employee would probably do the task but complain about it afterwards to other employees.

Finnish work culture is very punctual. If an appointment is agreed to 10 o'clock, it is really 10 o'clock, not 10:15 or 10:30. This is sometimes hard to understand for the Hungarian people.

The attitude towards company property is different than in Finland. Because the Hungarians attitude towards job is that they will get paid whatever their performance is. Hungarians do not realize how the accident affects financially to employer and that the money is out of his own pocket. This overall attitude is from the Soviet Union era, where everything was owned by the government. Employees felt that it was their right to take something if they needed it.

Because the truck drivers have usually lower education level than the rest of the Hungarians, their language skills are also poor. This makes it harder to live and work in foreign countries. With the lower education level, the drivers are less willing to take part of training and teaching. Hungarians sees it more or less as a punishment. Why to learn something new, when the old way of doing things still works? This is Hungarian attitude. Of course, this is again stereotype and there are similar people in Finnish truck drivers also. But this attitude is very common in Hungary.

There are at the moment other Finnish companies in Hungary as well. But they do not share the knowledge of how to manage Hungarian people or what kind of special abilities it requires. But attitude towards Finnish's companies is good and they are seen as a stable employer.

About the human resource management, Hungarians requires a manager who has authority and is clearly above the employees in hierarchy. This is a major difference between Finland and Hungary. In Finland, the hierarchy is not so obvious and the manager can be seen more as a friend than a manager. Also clear instructions are needed to guide the Hungarians to do the job. They are not so willing to use their own thinking compared to Finns. Hungarian employees especially with a lower education level.

Labor unions are weaker than in Finland. If an employee has a problem with the employer, it is common in Hungary to use a lawyer to solve the differences. So the labor unions do not provide same kind of assistance what it does in Finland.

The economic situation in Hungary is going all the time worse and worse. There is already suspicious and a lack of trust towards a foreign employer, and the financial situation is not helping it. This will increase the suspicious and create more tension between Hungarian employee and the foreign employer. But new generation is more Western minded than the older generation. This can ease the situation, but it is very hard to estimate. Also Hungarians trust towards their government is low. This is based on historical reasons and Soviet Union era. Economic situation is easily seen in foreign companies, which operates in Hungary. The value of local currency, Florint, varies daily and creating the budget is challenging. It is difficult to say how much money is needed in the future because the value of Florint is unpredictable.

Appendix 7.6 Interview with Beatrix Lendvay, Manager in Hungary.

Lendvay handles mainly bureaucracy issues in Hungary. She handles all the permits and registration of the vehicles. Also recruiting is a Lendvay's task. She creates advertises, organizes the meetings and interviews with the applicants.

Lendvay supports the drivers if they have problems or difficulties. Lendvay also acts like a middle-man between the CEO Keijo Eklöf and the drivers. Translation task is also one of Lendvay's duties. Lendvay's role in the company is clearly seen as a manager; also from the driver's point of view. Lendvay have not have experience from the Finnish drivers, only managing Hungarian drivers.

Lendvay's feeling is that Hungarian truck drivers are more careless than the Finnish drivers. A lack of respect towards the employer's property is imminent. The CEO Keijo Eklöf has change the system so that the driver is responsible for the full insurance's deductible to decrease the number of accidents. But many drivers do not understand why they need to pay the fee because it is not their own vehicle; it is company's property.

Lendvay said that the Hungarian truck drivers require constant supervising. Without that, all the work is not done or the quality is bad. Sharing of ideas and knowledge is very limited in the company. Drivers own opinions are not listen by the managers. The CEO Keijo Eklöf thinks that he will ask an advice when he needs it. Lendvay says that there is also a credibility issue. Drivers do not see the CEO Keijo Eklöf as a professional truck driver. The drivers think that the CEO Keijo Eklöf would not be able to do the same task which they are doing. All this things leads to situation where there is a lack of trust towards the CEO Eklöf.

Getting new employees is challenging. The exchange place is in Germany and it takes one day to travel there and one day back to Hungary. Lendvay says that working 6 weeks in a row is too long period for one driver and is one of the reasons why drivers are eager to change to another company. Driving a truck license is expensive and this limits the number of the employees. Many individuals in Hungary do not have that much of money to invest for the truck license.

Lendvay says that the old Soviet way of working is still alive among the drivers. They do not respect the company's property, salary is paid although the quality would be bad and there is no honesty to admit if something has happened. The biggest difference between a Finn and a Hungarian driver is the use of common sense. Finns use it all the time if there is a need but Hungarians are lacking the use of common sense. Lendvay says that it feels like Hungarian truck drivers do not have a mind of their own. One other difference is meaning of CV. In Finland, everything what is written into CV has to be true and the employer might even check that the information is correct. But in Hungary, things are totally different. CV is a letter where the employee can write things which are not true, for example work history. So when hiring new employees, it is difficult to determine what is true and what is not.

Company's concentration in training is in use of on-board communication device and all of the training is done in Lubeck, where the driver change takes the place. Other concentration is in how to send documents to customer in correct way.

About the management, Lendvay thinks that the CEO Keijo Eklöf does not accept the cultural difference and would like to change the way things are done as same way in Finland. A lack of shown respect is one big issue in the Hungarian culture according to Lendvay and the management is lacking that at the present situation. Management's attitude towards the Hungarian employees is lacking the respect which causes that the truck drivers' motivation towards work is decreasing and respect towards management is poor.

At the current situation, there have been some problems on paying the salaries on time. This causes serious problems on motivation among the employees, according to Lendvay. So in this case it is two-way-street; how can the management thought that the employees do what is told if the management does not do the same? Company gives a bonus or a reward for a long work experience in the company.

The CEO Keijo Eklöf has created a system where the employees would have to take a picture of the truck before they leave from Lubeck. If the driver would do that and send the pictures to the managers, he would get extra 10€bonus. If he does not take the pictures, there would be a 20€fine. Sadly, at the moment none of the drivers have receive the 10€bonus although they have done according the instructions. But, couple of employees has got the fine when they did not take the pictures, according the Lendvay.

Salary is on average level compared to other trailer hauling companies in Hungary. Lendvay says that the regular work schedule is a positive thing among the drivers. Planning sifts limits the work period so that six weeks is the shortest possible period. If it would be any shorter than six weeks, it would be impossible to do the planning.

Lendvay says that she has been as au-pair in Finland and studied Finnish language. But she still have very limited view about the Finnish work culture. Lendvay says that she tries to do her best to reconcile the cultural differences when she is with the CEO Keijo Eklöf in Lubeck in a meeting with the drivers.

A management by objectives type of solution is a good system in transport industry and most of the drivers are familiar with it. Especially those drivers, who have worked in a larger transport companies in the Europe. The only concern is the taxation and how the bonuses would be taxed. This would require consultations for a human resource manager, who is specialized in taxation. But as the Bede questioned the bonus system (see Appendix 7.5) because the salary is already pretty high and the benefit what the bonus system would bring is uncertain. Bede suggested that the concentration should rather be in management than creating management by objectives type of solution. One solution could be to use older and experienced drivers as an assistant managers or trusted persons. This person could negotiate with the Finnish manager if there is problem, be kind of a spokesman for the rest of the drivers.

Appendix 7.7 Interview with Nina Westerlund, a Former Varova Traffic Manager

A question was asked about the management in other haulier companies and terminals and how it is done. Westerlund said that many companies have so called “middle man” among the truck drivers. This person is not a foreman or supervisor but the person has a good relationship with the manager and can tell if there is a problem or bad blood among the truck drivers. This way the manager is aware of what is happening in the employee level.

The biggest problem in this solution is the lack of trust towards the employer, according to Westerlund. Employees are already suspicious towards the manager and being this kind of a person would not be easy. Also other truck drivers might think that this one person is so called snitch, and nobody would like to talk with him or her anymore. So this type of solution is not easy to perform.

Westerlund said that when Transport Eklöf had a CEO which handled routine things and was Keijo Eklöf’s right-hand, things ran much more smoothly than they do now. Also the work division in the manager level could be clearer. So overall, Westerlund thought that managing the truck driver is not the only problem: there are also issues in the management level.

About the communication Westerlund said that sometimes when the customer changes the plan or route and this causes more work to the traffic manager, the traffic manager sends sometimes angry message to the truck driver where he or she complains about the customer. This can cause a situation where the truck driver is thinking what do I do with this information? Also, this can cause a lack of motivation towards that customer's cargo if the driver thinks that the customer has done lousy job and he or she has to do extra work or change the route because of that. Although there might not be any extra work required. But the feeling that the customer is lousy and bad has a great influence in the truck driver's mind and motivation.

Westerlund said that in Varova Oy, managers places for example five-year period a few targets what are the key areas what to develop in the operations. Each year during those five years, one of the targets was placed as a main target which to concentrate. Westerlund said that this type of solution could be an option how to develop operations in Transport Eklöf. But this system has to be clear and explained in detail level to the truck drivers to avoid increase of suspicious towards the employer.

Appendix 7.8 Interviews with Drivers

7.8.1 Driver 1

Driver 1 has over one-year work experience in the company. He has no idea about the company goal. The Driver 1 thinks that the uncertainty does not matter at all when the salary comes on time. The Driver 1 feels that the management is there; especially when there is a need to give negative feedback to the driver. The Driver 1 feels that the management is not supporting the driver enough if there is a problem, for example.

Driver 1 has met the CEO Keijo Eklöf three times and always with a translator. Driver 1 is not sure was his message said exactly right way to the CEO Eklöf or did the translator change the words. Driver 1 is sure that the management would be able to do the same things as the drivers are constantly doing. Driver 1 feels that the CEO Eklöf is not a patient person and the CEO Eklöf is harassing employees and looking their mistakes. Driver 1 thinks that the CEO Eklöf does not have a sense of humor.

Driver 1 does not give any value that he is driving a truck with a Finnish flag on it. The most important thing is the schedule. Driver 1 has received sometimes “thank you” –messages and even couple of presents. Driver 1 does not trust Hungarian government at all. He thinks that Hungary will never have a trustworthy government. Driver 1 sees training as a valuable thing and new things would help to perform his own work. Driver 1 knows that the management has set clear boundaries when to try to solve the problem on their own and when to contact the manager. About the communication, Driver 1 prefers short greeting and overall human touch or feel in the communication. He says that sometimes it feels like the managers forget that there is a human being in the other end, not a machine.

7.8.2 Driver 2

Driver 2 thinks that the company goal is to concentrate to Scandinavian trade with the highest possible efficiency. He has no problems tolerating the uncertainty; Driver 2 thinks that the clear timetable is one of the key issues in his job. Driver 2 has seen the CEO Keijo Eklöf once and that time the CEO Eklöf talked to the whole group, not individually to everyone. A translator was also present.

Driver 2 thinks that the managers have the skills to do the same tasks what the drivers are doing constantly. Driver 2 got peaceful impression about the CEO Eklöf when Driver 2 met him. The CEO Eklöf seemed to be a patient and calm. Also, the CEO Eklöf seemed to be very practical and careful about the issues related to the work. About the CEO Eklöf's sense of humor, Driver 2 has no opinion.

Driver 2 thinks that driving under the Finnish flag is better compared to driving under Hungarian flag. But the view point to this is limited; Driver 2 has work experience only from this company. Driver 2 has no opinion about have the management shown any respect. Driver 2 does not trust his own government, partly because he has had bad experience in the history. Driver 2 thinks that the training is useful; he learns new things, which might make his job easier. Driver 2 uses his common sense to plan his timetable; when and where to take rest to be on time at the right place. Driver 2 has so little work experience that if there is a problem, he has to contact the manager to ask for an advice. For the communication, Driver 2 would like to add more human feeling to it. Little smiley or a greeting would be nice in once in a while. But the message should be short and clear.

7.8.3 Driver 3

Driver 3 has worked 4 months in the company. Driver 3 thinks that the main goal is to make profit and earn respect of the customers and competitors. Driver 3 does not care about the uncertainty; he thinks that it is part of the job. But the uncertainty of the employer's or company's future is an uncertainty, which Driver 3 does not want to feel. Driver 3 says that there is some level of management, but it is more or less in the background. Driver 3 is missing the face-to-face contact between managers.

Driver 3 has not had any problems with communicating with the CEO Keijo Eklöf. But the CEO Eklöf didn't speak directly to him, so the Driver 3 cannot say clear opinion about the level of communication. Driver 3 says that he has heard that the CEO Eklöf has been a driver, professional skills of the other managers Driver 3 has no opinion. Driver 3 says that the CEO Eklöf is a patient man but he is lacking the sense of humor in his own mind. Driver 3 has only a military background so he does not have an opinion when it comes to attitude towards working for the Western company. Driver 3 says that the CEO Eklöf and other manager's show respects towards his work.

Driver 3 has no trust whatsoever towards the Hungarian government. He has a feeling that government does not respect young people at all and the government makes their life difficult with the current political decisions. Driver 3 was laid off from the military before he came to work Transport Eklöf. Driver 3 says that training is useful and it is part of the work. Driver 3 says that he has still so little experience in driving a truck that he prefers contact the managers and ask for advice. Driver 3 prefers short and brief communication, with only important items included. Driver 3 says the lack of language skills is a problem because most of the drivers are Hungarians and they are not able to communicate with their native language. Driver 3 also prefers human feeling for the communication.

7.8.4 Driver 4

Driver 4 has been in the company around one year. He thinks that the main goal for the company is to make profit and offer the employees job to do and keep them satisfied. Driver 4 does not care about feel of uncertainty; it does not matter to him. Driver 4 does not think that the distance between managers and the employees is an issue; he knows he is being supervised.

Driver 4 hopes more face-to-face contact with the managers. Driver 4 is missing so called foreman for the drivers, who communicates with the managers in Finland. This foreman would be like an employee representative for the managers.

Driver 4 hasn't had any problems with communicating with the CEO Keijo Eklöf or with the other managers. Driver 4 is sure that Transport operators Jasmin and Aki would be able to do the same what the drivers are doing daily. The CEO Eklöf's skills are unknown. In Driver 4's opinion, the CEO Eklöf's seems like a patient man, who is always thinking one step ahead. But the problem in Driver 4's mind is that the CEO Eklöf is too attached to running the daily issues. Driver 4 is not sure does the CEO Eklöf have the sense of humor. Or is the CEO Eklöf too involved in the daily business that he is not able show his sense of humor.

Driver 4 thinks that working for the Finnish company is more respected than driving for example a Hungarian company. But Driver 4 says that the financial problems are a concern and with these problems the Finnish company does not differ from the Hungarian company. Driver 4 says that he would like to have more information about the financial situation of the company.

Driver 4 says that he has not received negative feedback from the managers. Driver 4 has received sometimes "thank you" through on-board computer. Driver 4 has no trust towards Hungarian government. He thinks that government does not care about the Hungarian people.

Driver 4 thinks that the training is useful and it will help to improve his work. Driver 4 says that there are clear boundaries what problems the driver can solve on his own and when to ask advice from the managers. Driver 4 says that usually he is able to solve small problems without asking advice from the managers. Driver 4 prefers a short communication, with a human feeling included into the messages. Like smileys or greetings.

7.8.5 Driver 5

Driver 5 has worked 2½-years in the company. He has no idea about the goal; Driver 5 thinks that the main goal is a steady growing in the transportation market. Driver 5 has no problem with the uncertainty, when the practical things work. During his career in company, Driver 5 feels like the company has lost its vision totally and uncertainty among practical topics has increased. Driver 5 feels he is constantly supervised and managed. He would like to add more human touch to the communication and management.

Driver 5 has met the CEO Keijo Eklöf several times and always with a translator. So the communication between him and Driver 5 has worked. Driver 5 is aware of the managers' work history and is certain that any of them would be able to do the same task with the drivers. Driver 5 feels that the CEO Eklöf is patient but Driver 5 is uncertain about the sense of humor. Driver 5 has no experience from other international companies but he thinks that the Finnish company gives promises about the better work than other international companies have to offer. Driver 5 has received several times positive feedback from the managers through on-board computer.

Driver 5 has no trust whatsoever towards the Hungarian government. Driver 5 says that the "situation is hopeless". Driver 5 sees that training is useful and gives many benefits. One problem is the drivers are changing employer often and this causes difference in level of training and professional skills. Driver 5 knows that he is allowed to think by himself if there is problem. If there is a major problem and the Driver 5 needs an advice from the managers, he is not afraid to ask for an advice. Driver 5 says the drivers are trained to use own common sense for problem solving.

Driver 5 communicates often with the transport operator Jasmin. He is used to small talk with short messages and Driver 5 prefers this kind of style in communication. Driver 5 has a feeling that transport operator Jasmin knows what kind of personalities each driver has.

7.8.6 Driver 6

Driver 6 has worked for the company for 9 months. He has no idea about the company goal. Driver 6 feels that the uncertainty is not a problem for him. Driver 6 does not feel that the long distance to the managers is a problem, for him it does not matter where the managers are physically located. Driver 6 has met the CEO Keijo Eklöf always with a translator so there have been no problems in the communication. Driver 6 believes that the CEO Eklöf and other managers would be able to do the same tasks what the drivers are doing. Driver 6 has no opinion does the CEO Eklöf have a sense of humor, or is he patient.

Driver 6 says that the origin of the company does not matter for him. Overall opinion towards the Eastern-Europeans is negative in many Western-European countries. Driver 6 has no opinion has the managers showed him respect. Driver 6 also has no trust towards the Hungarian government. Driver 6 has a positive attitude towards training. He says that most of the training is about some new things or something which would improve his working methods.

Driver 6 knows that the managers have set clear boundaries for when the drivers are allowed to solve the problems by themselves and when to contact manager. Driver 6 says that the managers react too slowly to on-board computer messages. He also would like to add some human feeling to the communication and keep the messages short and simple. This way the messages are easy to understand.

7.8.7 Driver 7

Driver 7 has 9 months' work experience in the company. He thinks that company goal is to make profit and expand its business. Feel of uncertainty is not a problem for the Driver 7, he says that it is part of the job. Driver 7 feels the supervision by the management but the distance is not a problem. It is irrelevant where the managers physically are because he is driving around the Europe. The biggest problem what Driver 7 sees is the language problem and finding common language between the managers and him. Driver 7 has never met the CEO Keijo Eklöf so he has no opinion about the CEO Eklöf.

At first, Driver 7 was surprised to hear about the Finnish employer, although he is working for the Hungarian company. Driver 7 sees that working for the Finnish company is a positive thing. About the respect from the management, Driver 7 has received none. He says some of the employees have got nasty messages through on-board computer if there have been some problems or an accident. But sometimes when Driver 7 has come up with a clever solution to some problem or has found out better way to do something, there has been thank you message from the on-board computer.

Driver 7 has no trust towards the Hungarian government and he does not believe that the politicians are making decisions for what is best for the Hungarian people. Driver 7's motivation towards the training is a positive when there is something new and interesting. When the training is about something old and which is working already, Driver 7 loses his interest. About the problem solving, Driver 7 tries to solve the problem by himself. He knows that the management has set clear rules when to contact them and ask for advice. About the communication, Driver 7 thinks that a short greeting or farewell would be nice. Current situation feels like he is managed by a computer, not by a human being. Driver 7 does not like that he does not know who he talking with through on-board computer.

7.8.8 Driver 8

Driver 8 has a 1,5 years work experience in the company. He thinks that company goal is to have “maintenance-free” drivers or that everyone should be able to work independently. Driver 8 thinks that a way to achieve that goal is to do the work with common sense and with pride. Driver 8 is very relaxed with the uncertainty. His “motto” is to be calm and not to worry about the future.

Driver 8 is aware of the management but he enjoys that he is well aware of the management. Driver 8 has met the CEO Keijo Eklöf couple of times and always with a translator. Driver 8 says that there have been no difficulties in communication between him and the CEO Eklöf. Regarding the management skills, Driver 8 gives short and simple answer; of course. He is aware of that all of the managers are former truck drivers.

Driver 8 thinks that the CEO Eklöf is a patient man until somebody does something against common sense. In Driver 8’s mind then the CEO Eklöf has difficulties to accept the situation. The CEO Eklöf has in Driver 8’s opinion a little bit of sense of humor but not much.

Attitude towards driving a truck with the Finnish flag in it does not matter in Driver 8’s mind. It does not matter whose truck he is driving while the Driver 8 gets his salary. Driver 8 has absolutely no trust towards the Hungarian government. He says it is hard to predict the future because of the politicians.

Driver 8 has divided attitude towards training; if the subject is something new then it is interesting. If the subject is something old and boring then Driver 8 has almost no interest on the training. Driver 8 thinks that it is allowed to use your own common sense to solve the problem which is allowed to solve. But this depends on the problem; Driver 8 says that there are clear boundaries what kind of problems the driver himself is allowed to solve without asking permission from the management. Driver 8 has strict opinion on communication; only a short message, nothing else.

7.8.9 Driver 9

Driver 9 has worked for 1 year in the company. He does not care about the company goal or vision. About the tolerance for uncertainty Driver 9 has no problem. He does not take pressure from the timetable. Driver 9 feels that the managers are seen too seldom. He would like to have more face-to-face contact with the managers. Otherwise it does not matter where the managers are physically because the truck drivers are constantly on the road. Communication with the CEO Keijo Eklöf has been easy and without problems. The CEO Eklöf has always had a translator with him. Driver 9 is sure that the managers would be able to the same tasks what the drivers are doing constantly. Because of their professionalism, Driver 9 highly respects the managers.

Driver 9 thinks that the CEO Eklöf is a patient man and has a sense of humor, but he has seen the CEO Eklöf only once. Driving under the Finnish flag for a Finnish company is essential to Driver 9. He thinks that the Nordic companies are more respected and Driver 9 wants to only work for the Nordic companies.

For the Hungarian government, Driver 9 has no trust whatsoever. He does not care so much about the political issues. Driver 9 finds training especially useful. He thinks that learning new things is important and can help him to achieve better results in his work. Driver 9 also points out that it is important to have a good instructor, who knows the subject. Driver 9 says that he tries to solve the problem on its own if it is possible but knows that management has placed clear boundaries when to contact to management. Driver 9 likes short and clear messages, with a small talk or greeting. He appreciates human feeling when communicating through on-board device. Driver 9 says that the communication level is highly dependent on the driver's language skills. With the limited language skills, the communication is also short.

7.8.10 Driver 10

Driver 10 has 2,5 years' experience in the company. He thinks that company goal is to remain in the market and make profit. Driver 10 thinks that the feel of uncertainty is a part of the job and it is a positive that he does not know everything, like what is the next destination. Driver 10 has got place as an deputy in Germany office because of his long work history in the company. So he communicates often with the managers and Driver 10 feels that the managers are up-to-date always and knows what they are doing.

Driver 10 has not have any problems communicating with The CEO Keijo Eklöf. A translator has always been with the CEO Eklöf. Driver 10 says that his point-of-view about the company's future is pretty much similar than what the CEO Eklöf has. That helps the communication. Driver 10 is a sure that every manager could do the same tasks what the drivers are doing all the time. Driver 10 has even seen the CEO Eklöf himself driving the truck.

Driver 10 thinks that the CEO Eklöf is a patient man and if necessary, the CEO Eklöf explains his subject or opinion very deeply and calmly so that everybody understands it. Driver 10 also thinks that the CEO Eklöf has a sense of humor. Driving for small, Finnish hauling company can be seen as a positive or negative thing. It depends who is asking. Large customers does not care about small, Finnish companies but the smaller ones respects and wants to do business with Finnish hauling company. Management has shown respect to Driver 10; he got a promotion to work as office deputy in the Germany. Also words “thanks” and “good job” has been used by the managers. Driver 10 has even received gifts from the management.

Driver 10 has no trust towards the Hungarian government. He says although the people in charge changes, the decisions do not. Driver 10 finds training useful. As an improvement, he would like to make training more specific to some area of the work, like traffic rules or securing the cargo. Driver 10 is so experienced driver compared to other drivers that Driver 10 can solve most of the problems on his own. Driver 10 contacts the managers only when he needs permission from the managers. About the communication, Driver 10 appreciates short and clear messages with a human feeling. He says that sometimes it feels like being treated like a machine. Greeting or similar in communication once in while would be nice.

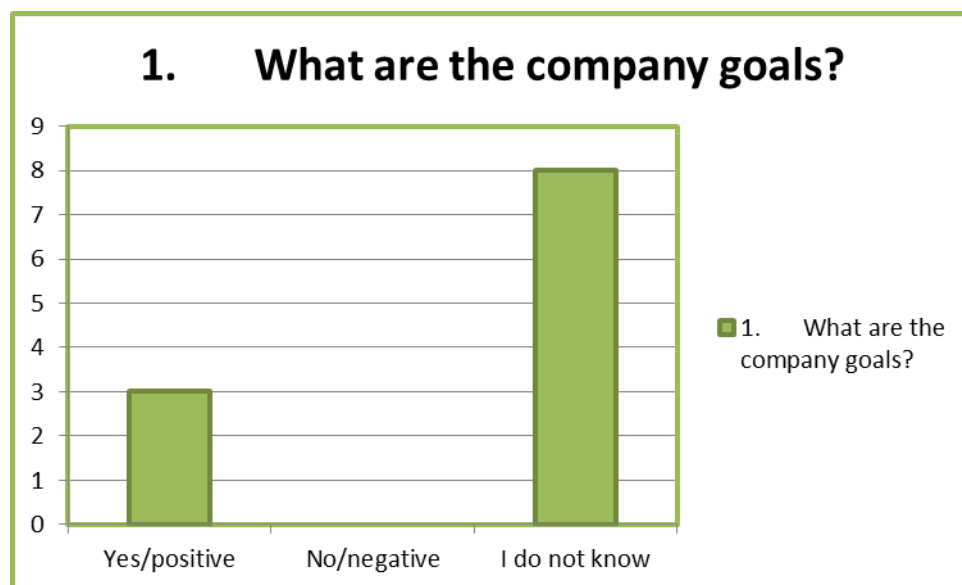
7.8.11 Driver 11

Driver 11 has been in the company only three weeks. He has no idea about the company goal. Driver 11 likes to plan ahead when and where to drive because he has some problems with the darkness and vision. With planning, Driver 11 tries to do his job as well as possible and avoid any extra fees or payments. On his mind, it is irrelevant where the manager is located when Driver 11 is driving around the Europe.

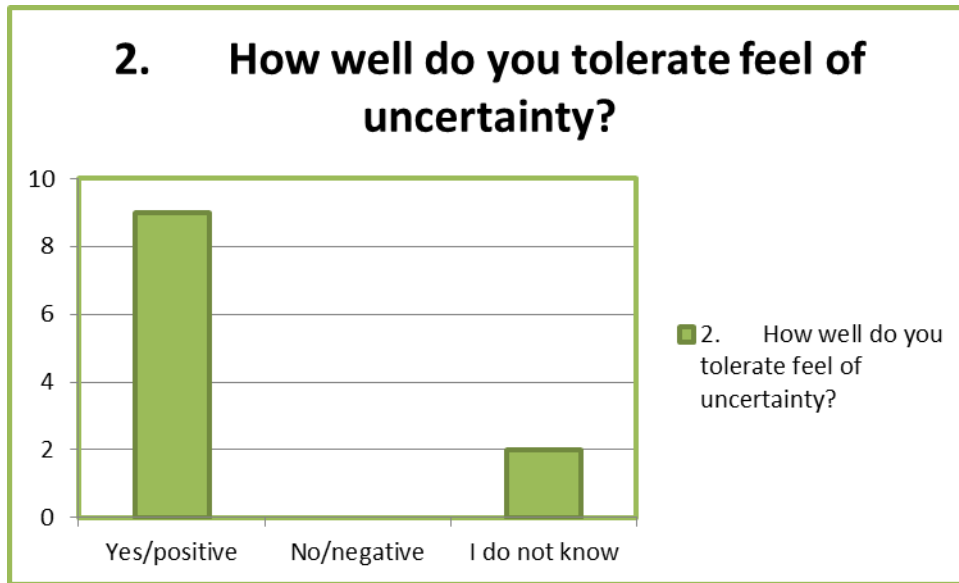
Driver 11 has not yet met the CEO Keijo Eklöf or other Finnish managers. He has no opinion about them or has not received any rewards or praises. But Driver 11 has a feeling that the CEO Eklöf would be able to do the same job as he but Driver 11 is not sure about transport operator Jasmin would she be able to do.

Driver 11 sees no big difference between the Hungarian and the Finnish employer; Finnish is perhaps more stable and has better reputation. Driver 11 sees the Hungarian government as a corrupted, where the politicians try only gain wealth for themselves. Training is important on Driver 11's mind; it improves the quality of work and life. Driver 11 tries to solve possible problem by himself but knows the boundaries set by the management what is allowed to do and what is not. Driver 11 thinks that it is better to feel that there is another person at the other end of the message send.

7.9 Answers of the interviews



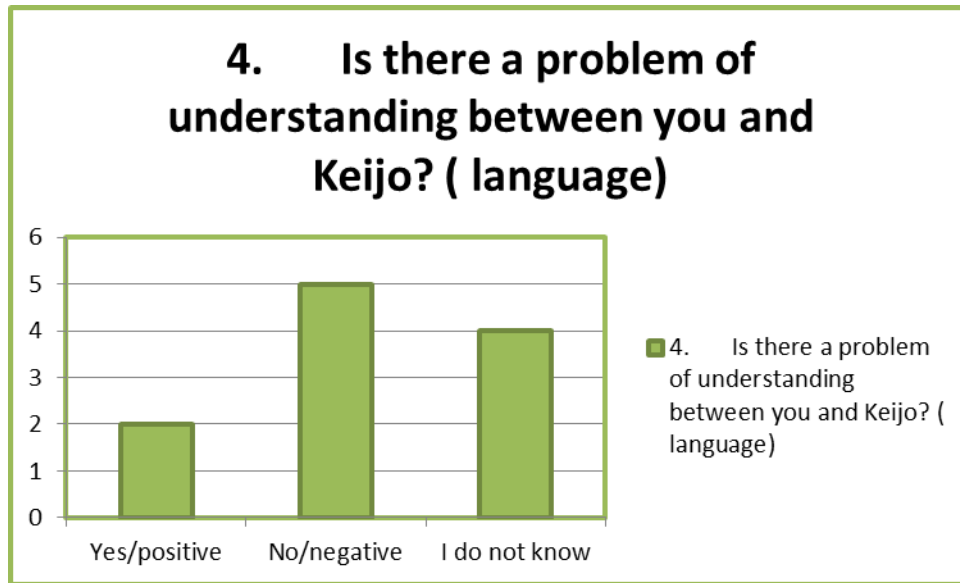
Question 1



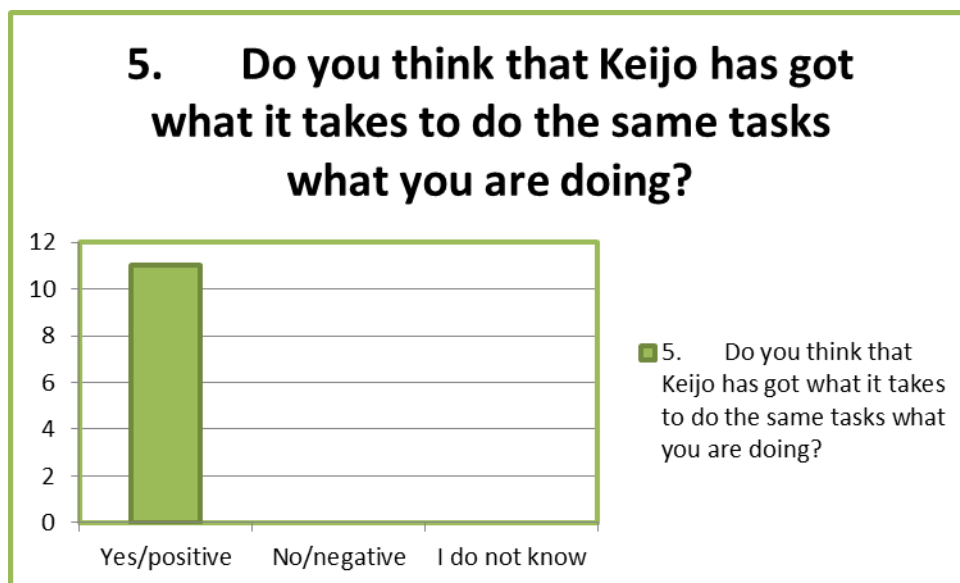
Question 2



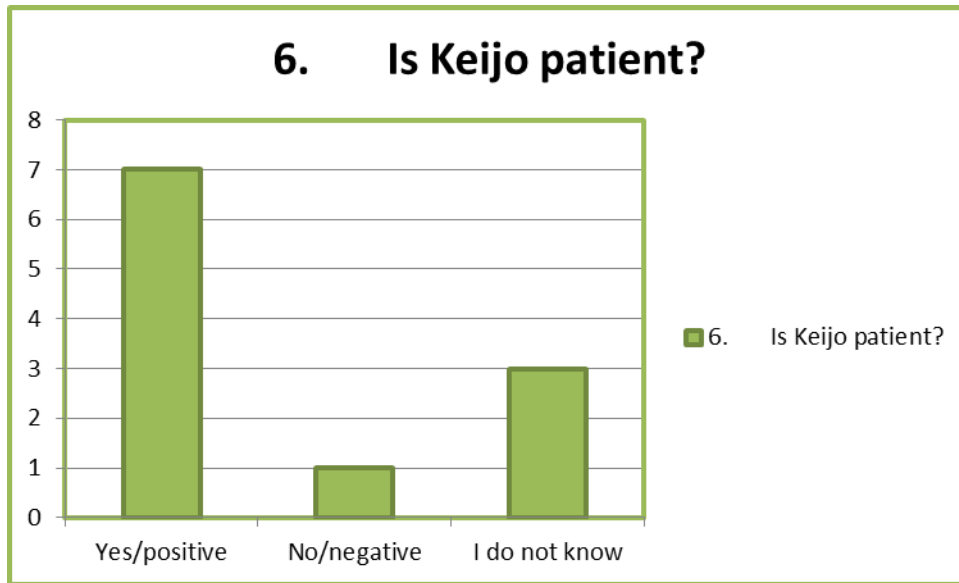
Question 3



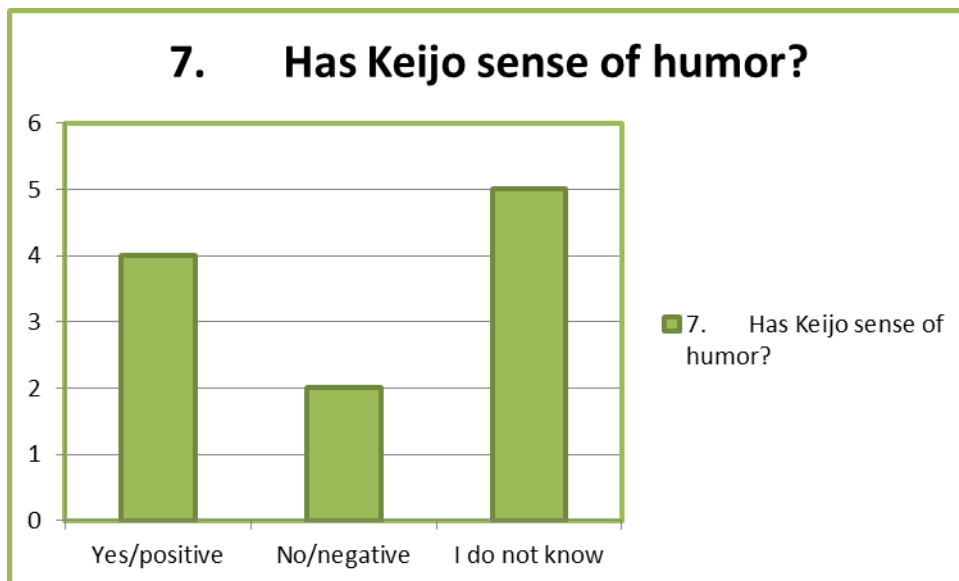
Question 4



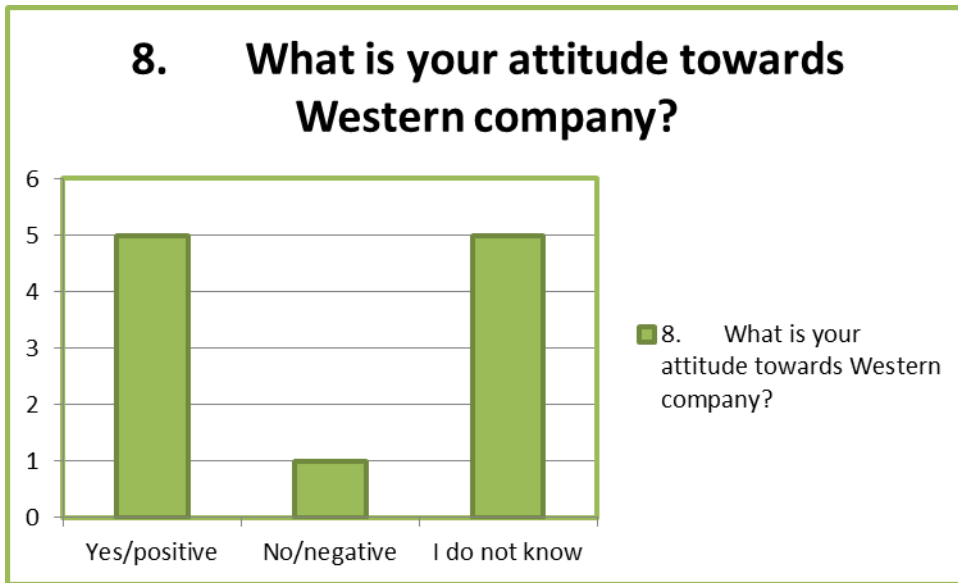
Question 5



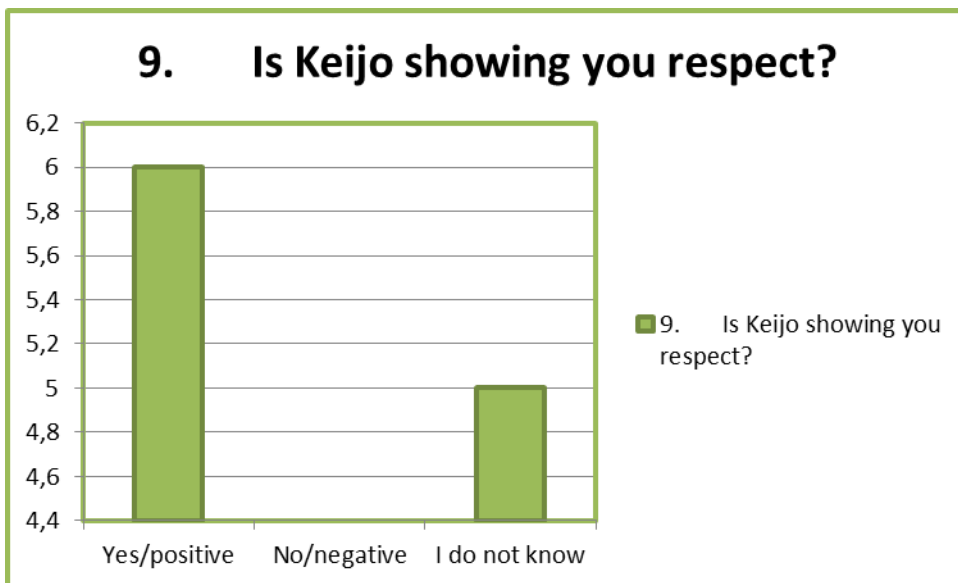
Question 6



Question 7



Question 8



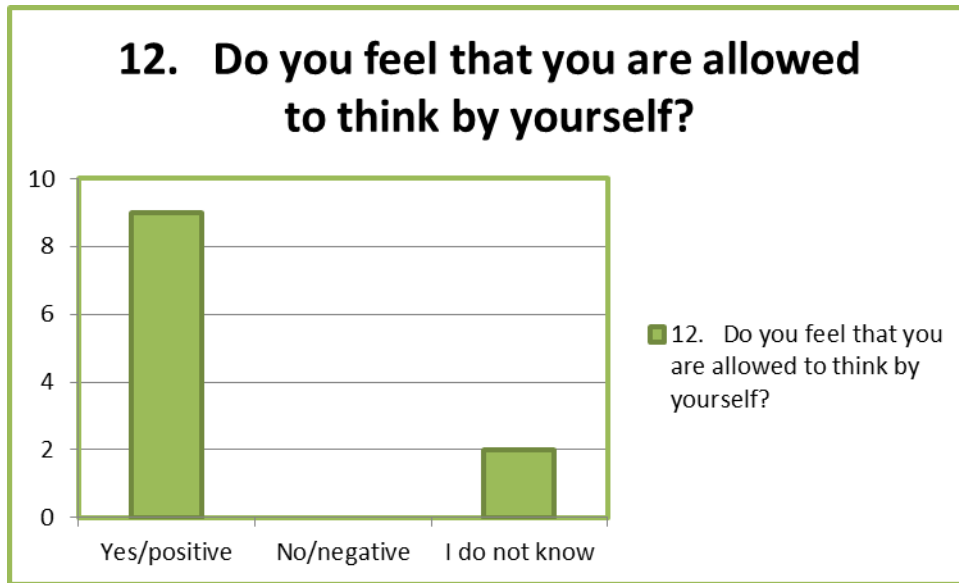
Question 9



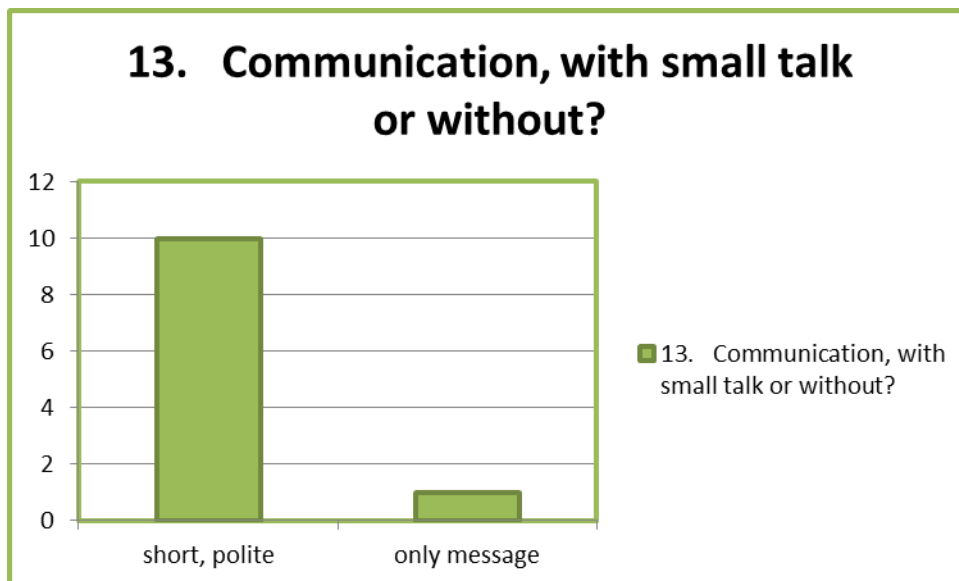
Question 10



Question 11



Question 12



Question 13

Appendix 7.10 Free Improvement Suggestions Made by the Drivers

- A different system of shifts - maybe. 4 weeks work and 1 week at home? Might make it more attractive for the other truck drivers.
- If there is an accident or similar, "shit" falls to everyone in group
- Salary in time
- Bonus for time in service and good job
- More training (update of Drivers` Guide)
- More contact and better communication on site between management and drivers (more face-to-face communication)
- More fully equipped cabins (microwave, coffee machine, inverter)
- More effective communication (face-to-face, not in work-related issues)
- More work (for more salary)
- Salary on time
- Salary on time
- Mother-tongue communication should be possible on the drivers' initiative, too
- Management should not offend and mock Hungarian drivers. When new drivers are hired they should have proper professional standard.
- Management should not think that HU drivers would never be able to adopt Finnish standards morally or professionally. (They think that) 40 years of Communism has destroyed the moral values of our forefathers in Hungary.
- During training the management should try to improve our skills not only give us arrogant criticism.
- The importance of 45-hour rest
- Load fixing in trailers coming from Finland
- Better communication and attitude in issues other than transport coordination (mainly personnel matters)

- Salary to be paid on time (as agreed in job contract)
- They should try to send salary on time

Appendix 7.11 Questionnaire for the Drivers

Made originally in English and was translated to Hungarian language:

Place x in column C

1. Company goals are clear to me?

Strongly disagree	
Disagree	
Neither agree nor disagree	
Agree	
Strongly agree	

2. I get all the information I need?

Strongly disagree	
Disagree	
Neither agree nor disagree	
Agree	
Strongly agree	

3. Who's communication style is best?

Aki	
Jasmin	
Keijo	

4. Management is fair to me?

Strongly disagree	
Disagree	
Neither agree nor disagree	
Agree	
Strongly agree	

5. If I achieve target / goal, I will get some benefit as a reward?

Strongly disagree	
Disagree	
Neither agree nor disagree	
Agree	
Strongly agree	

6. If I face a problem during work task, I am willing to use common sense to solve it

Strongly disagree	
Disagree	
Neither agree nor disagree	
Agree	
Strongly agree	

Comments or suggestions for improvement *(Pls. Write three most important ones)*

Same questioner translated to Hungarian:

Jelöld x-szel a választ

1. A cég célkitűzései egyértelműek

Egyáltalán nem értek egyet	
Nem értek egyet	
Semleges	
Egyetértek	
Teljesen egyetértek	

2. Minden a munkához szükséges információt megkapok

Egyáltalán nem értek egyet	
Nem értek egyet	
Semleges	
Egyetértek	
Teljesen egyetértek	

3. Kinek a kommunikációs stílusa a legjobb?

Aki	
Jasmin	
Keijo	
Nem tudom eldönteni	

4. A cégvezetés tisztességes velem

Egyáltalán nem értek egyet	
Nem értek egyet	
Semleges	
Egyetértek	
Teljesen egyetértek	

5. Ha elérem a kitűzött célt, pénzjutalmat kapok (jelenlegi helyzet)

Egyáltalán nem értek egyet	
Nem értek egyet	
Semleges	
Egyetértek	
Teljesen egyetértek	

6. Ha problémám akad egy feladattal kapcsolatban, az előzetesen lefektetett határokon belül hajlandó vagyok a józan eszemet használni a megoldás érdekében

Egyáltalán nem értek egyet	
Nem értek egyet	
Semleges	
Egyetértek	
Teljesen egyetértek	

Jobbítási javaslatok

(Írd a sorokra a három legfontosabbat)
