# **Cultural diversity: National culture and its impact on motivation**

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#### Abstract

One of the important factors affecting the organisation culture is the national culture of a country in which the company operates. Nation's culture can be defined as values, expectations and behaviours learned and shared by a group of people, passed down from generation to generation. National culture impacts organisation's standards and values. And furthermore, national culture significantly affects also its business relations and employee motivation.

Organisations and society have become increasingly more globalised and multicultural. It is common that the workplace involves more than one culture (Winch, 2015, p. 85). Since this article involves Asian, American and European companies, the three cultures are selected as the focus. Yet, still the companies' operations, financial results and workers' motivation are strongly influenced by national cultures of the countries in which the organizations are active.

The article aims to specify what is the role of diversity management and how much influence the national culture can have on the employee motivation and business processes in multicultural companies on the example of chosen European, American and Asian companies. Therefore, in this article it has been tried to establish the differences in management of international corporations and the influence of European, American and Asian culture on the particular company. The practical objective of this article, however, is to examine a degree to which management based on culture should be implemented and to demonstrate a change in the importance of the intercultural diversity.

For the purpose of the research the standardized and formalized questionnaire has been prepared. The questions were mainly closed questions, there was also one open question. From the analysis of the study it appears that the national culture of the company's origin country has little influence on management and motivation model in the company.

Key words: culture, impact, motivation, country.

## Introduction

## The role of motivation in an international company

In most cases, people may decide about their workload and effort that is put into work (Dębski, 2009, p. 67). This is why managers should understand reasons behind employees' decisions regarding their work. A key reason is motivation (Griffin, 2003, p. 28).

Motivation compromises a range of motives which, in turn, determine human behaviour. Specifically, it can be assumed that employees' motivation is manner of indicating actions directed to achieve specific purposes or otherwise, motivation is the power that creates, directs and maintains any human behavior (Sajkiewicz, 1999, p. 199).

Motivation is also referred to as "the internal state of mind and body – needs and reasons which encourage a person to take action (Piotrkowski, 2009, p. 138)."

Motivation is a general concept, which also means such phenomena as intention, willingness, desire, wish or interest. All these terms overlap around one common characteristic that entails a readiness to move towards specified goals (Davenport, 2007, p. 18).

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The intensity of desire or aspiration depends on individual needs. From the psychological standpoint, a need is permanent human characteristic which necessitate meeting certain conditions to achieve or maintain particular states or aims. In other words, the need is an internal state that makes some results of human action seem more attractive. This is the need that determines human behaviours. A prerequisite to create a motive is a feeling of discrepancy between the subjective level of meeting a need and a desired situation. Hence, has to be stimulated and then a feeling of discrepancy triggers a motivational tension. Consequently, this tension, that encourages people to act, stimulates energy and entrepreneurship. Actions taken due to this motivational tension may meet human need and, as a result, reduce the tension (Andrews, 2011, p. 12).

It should also be kept in mind that motivation is composed of many motives. Thus, the management strategy is important as it leads to getting and maintaining motivation along with creating its suitable systems (Sikora, 2000, p. 8).

The main essence of motivation in an international company is linking all aspirations and needs of an employee with the process of implementing tasks in the company. Borkowska considers that motivating employees can be described as encouraging people through incentives to exhibit specific behaviours (Borkowska, 2004, p. 63).

Sometimes there are obstacles in the process of generating motivation. They can occur at the stage preceding an activity and, as a result, hinder undertaking it despite an employee's genuine willingness to do so (for example, the lack of appropriate tools), or after an activity (for instance, very low remuneration) which prevent totally or partially meeting the need. Obstacles in motivation are the main causes of employees' frustration or dashed hopes.

Barriers to the process of motivation are one of the main causes of suffering caused by frustration and disappointment. For example, frustration occurs when there is an obstacle between employees needs and received rewards (Kostera, 2006, p. 82).

In the process of management, motivational strategies should be based on expectancy theory by V.H. Vroom. According to this theory motivation is determined by three factors (Kostera, 2006, p. 92):

- 1. Needs, goals expectations.
- 2. Cause-affect relationship that occurs between an effort and a goal.
- 3. A probability that specifies whether an activity meets felt needs.

Before undertaking any activity, an employee should estimate whether the effort put into a task is sufficient to complete it. The greater probability of achieving a goal, the greater likelihood of taking an action because people tend to expect a result proportional to the effort. It is a prerequisite, yet insufficient for generating motivation. What is necessary, is to determine the degree of meeting expectations which are implemented as a result of actions taken. These are rational expectations, based on the principle of economy of effort. If employees' preliminary calculation showed that the effect would be disproportionately low – they would not be motivated. Thus, employees would not be willing to take on the task. Only a positive result of such estimates would generate motivational mechanisms. In the first place, knowledge of a specific mechanism, human needs and expectations should be found out. It has been noted by McGinnis who formulated one of several methods of getting the best of people (Pocztowski, 2007, p. 143).

Hence, the motivating process is activating employees' behaviours directed to meeting their values and needs and, at the very same time, preparing them to perform actions that enable carrying out and meeting the company's organizational goals (Dębski, 2009, p.33).

Motivational systems can be divided into two forms: financial and non-financial incentives.

Financial incentives include: salaries, bonuses, commissions and all sorts of funding. Non-financial incentives embrace training, abroad internships, career paths building, access to the latest technologies and other benefits (Gach, 2007, p. 4).

The basis of all personal motivation models is to provide potential rewards the intent of which is to meet key needs. Each director or manager must be aware that employees are motivated only when a potential reward is sufficiently attractive in regards to their needs.

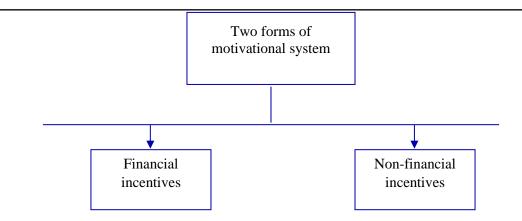


Figure 1 – Motivational system forms Source: Own study, based on: Dębski D., Ekonomika i organizacja przedsiębiorstw, WSiP, Warszawa 2009.

Each employee sees a prize as an incentive to work more efficiently. A potential prize can be financial or non-financial, such as professional training.

Properly conducted professional training contributes to a high satisfaction among employees. Improving qualifications and acquiring knowledge positively affect employees' work. Trainings organised in companies frequently concern:

- dealing with stress,
- language trainings,
- technological innovations and new products.

Many organizations offer diversity training to implement and maintain a culture of diversity and inclusion (up to 79%, according to Galvin 2003). Although the specifics of diversity training programs can vary widely, they share one common set of goals, which is "to increase knowledge about diversity, to improve attitudes about diversity, and to develop diversity skills" (Kulik and Roberson 2008). Such training can take the form of online modules, classroom-based training, videos, discussions, role-plays, simulations, and exercises (Bendick, Egan, and Lofhjelm 2001); (Pendry, Driscoll, Field 2007); (Madera, 2013, p. 125).

Perhaps this also has to do with considerable benefits for an employer, as his or her employee is self-controlled, knows foreign languages and new products promoted by the company. Unfortunately, trainings are too rare and oftentimes do not meet employees' needs.

The basic motivational element is remuneration. Unfortunately, financial motivation system in many companies is not that well developed. The situation looks totally different when it comes to non-financial motivation. Managers tend to focus on non-financial motivation which is used as a form of low earnings compensation. When the system of financial motivation is well developed, employees have a wide range of opportunities to learn and achieve professional fulfillment.

Motivational system can be divided into several key groups (Michalski, 2013, p. 65):

- company motivation focuses on rewarding achievements, a sense of responsibility and a promotion system,
- employees' individual motivation includes meeting individual needs of employees including their dreams and hobbies,
  - employees' mutual motivation positively affects relations between employees in teams.

The motivation of employees should take into account the following factors (Michalski, 2013, p. 101):

- employees' work expectations motivation must assure employees that their effort will be awarded,
- work purpose it is essential that employees were made aware of the objectives and tasks of the international company,
  - needs and values it is important to discover needs and values of employees so as to

gradually implement them,

- punishments and rewards – employees must be aware of the fact that their work may be rewarded but also punished.

One of the most important features of human resources management is to support a manager in motivating employees (Gick, 1999, p. 58). The employees' involvement in the operation of a company along with their motivation allows for maintaining a competitive advantage in the today's market. The processing of the received "gift" and using it to implement actions and achieve objectives increases the company's value.

For people who are focused on professional success a failure is an experience which is a guideline for the future. Because of that managers know how to avoid some difficult situations. It should be remembered though, that it requires emotional preparation. Admitting and learning from mistakes necessitates self-criticism and it is not easy process.

Managers in America, Europe and Asia have numerous means of influencing on employees' work involvement which generates and maintains individual motivations. They can be divided into two groups, namely: manners of encouragement and persuasion. Due to their nature, today's managers try to encourage employees to use the persuasion i.e. encouragement methods. Their potential diversity manifest in multiplicity of classification which is presented in the table below (Pocztowski, 2007, p. 156).

Table 1 – Motivational factors classification

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Division criterion	Division				
Type of needs addressed	- Basic incentives address all of the organism needs.				
	- Incentives which belong to a higher level include social and moral				
	needs and specified forms of addressing basic needs.				
Impact	- Positive (i.e. rewards) undoubtedly strengthens accepted behaviour				
	and motivates to achieve greater efficiency at work.				
	- Negative (i.e. punishments) motivates employees to undertake				
	activities aimed at avoiding the undesirable behaviours (especially in				
	Asia). They work as long as a threat lasts.				
The scope of impact	- Internal – entails implementation of employees' immanent values				
	achieving of which is a value in itself.				
	- External, which is directed towards satisfying instrumental values;				
	they are only means to implement other values.				
The manner of impact	- Individually.				
	- In a team.				
Form	- Financial.				
	- Non-financial.				

Source: Pocztowski, A. Zarządzanie zasobami ludzkimi: strategie – procesy – metody, Polskie Wydawnictwo Ekonomiczne, Warszawa 2007, p. 156

#### Material and methods

## The motivational system construction principles - America, Asia and Europe

Multinational companies very often try to create motivational systems in such a way as to take into account cultural differences. Actions are taken to maximise employees' motivation. In the first place, companies try to study the impact of a culture on motivational processes. Simultaneously, it needs to be considered that the motivational system elements are subject to the cultural impact (Łuka & Sęk, 2013, p. 65). To make such an analysis, the general scheme of motivation process can be helpful, as its shows its basic elements (Lenik, 2012, p. 43):

- subject of the motivator's impact, thus motivated employee, team;
- motivating subject employee, supervisor, team, organization;
- used instrument, tool motivator;

- impact process, that is motivating;
- motivation result behavior resulting from motivation, that is the tension driven by motivation.

The overall scheme of motivation means that a motivator by the means of motivations generates motivation, that is a type of tension under which an employee behaves in a manner expected by the motivator (Glinka, 2011, p. 56). The national culture's impact embraces all mentioned elements of the motivational process. Culture consists of the specific values for each country and that is the essence of life (Glinka, 2011, p. 56). In one country those are financial means and in other, social values related to interp8rsonal relations (Sułkowski, 2010, p. 77). Culture also determines standards, rules and principles. They indicate what is prohibited, recommended and acceptable. For example, in one culture competitive behaviours are expected while in other, they are perceived as egoistical and against the principles of social life. All of this comprises patters of thinking and actions in a given country which are also related to work and they may be diverse in different cultures. If an international company doesn't provide motivational stimulus expected by employees, this could cause reluctance and a loss of motivation to work.

Motivated employees have in fact a culturally programmed idea about the relation between them and their boss and what type of behaviours are expected from them. They know what they may expect from the employer during their work. Managers also have the standard how to deal with employees, for instance, that they should constantly control them. In a different culture, on the other hand, close relations between managers and employees' family are natural.

The usage, proportions and diversity of motivators used by a company along with expectations concerning employees' activity compromise the company's motivational system. Depending on the type of "culture, various importance is given to specific motivators (financial and non-financial) and in various degree they are implemented in the process of the employees motivation. Also expected are different behaviours from employees (Sułkowski, 2010, p. 79).

Work has a specified place in the value system shaped by culture in a given country. Two approaches can be observed: work as a value in itself and work as an obligation, necessity. They affect in a different way the employee's motivation level and the necessity of using specific incentives in the motivational system.

Notably, attention should be paid to societies built on the Protestant ethics. In such countries, work is considered as a value in itself. Having and doing job is important and determines the human value. That is why, ongoing effort, commitment, capital multiplication, investing, economising and honesty are highly respected. The socialization process in Protestant families stimulates the need of achievements and continuous self-improvement. The Protestant belief is that we do not work to live but we live to work. Lack of work is the source of suffering.

In America, working life extends to the family and social spheres. Employees and their spouses regularly meet on private grounds.

In Asia, people work long hours and do not take days off. They have active social life. The most important decisions are taken after work. They are strongly and emotionally connected with their work and co-workers.

In Germany, the manager-employee contact is artificial and distanced. After-work, meetings are usually between colleagues of the same level. There are no common lunches, unless in the business trips (Sułkowski, 2010, p. 67). In Italy, there is no standard model of social life at work or after work. Employees rarely meet or socialize after work. In the United Kingdom, employees of the same level usually meet after work in a pub. Common trips, annual events for children, recreational meetings are considered as something natural.

America, Asia and Europe may vary in terms of fixed and variable financial components and non-financial incentives (Sułkowski, 2010, p. 70). Moreover, there could be changes in the diversification rates of salaries between positions.

It should be noted that the process of motivating is very complicated, so there is no guarantee that the introduced by the company changes will provide expected results.

The first problem, that is related to the internal salary structure, concerns the method of the remuneration calculation for a specific position. In the collectivism, the importance of the individual's effort is minimalized and a half of remuneration compromises the result of the teamwork. The system is consistent with Asian and European cultures.

In individualistic cultures, more attention is put to the individualistic effort and work results of each employee. This kind of rewarding system is accepted in such cultures like America.

The basic remuneration in the form of stable salary, gives the sense of security and confidence. The situation in which the basic remuneration comprises the substantial part of the remuneration is particularly preferred in cultures of the high level of uncertainty avoidance. These countries of such culture include European countries, such as France, Greece and Italy.

Different proportions in the remuneration structure are in the cultures of low level of uncertainty avoidance. In such cultures, bonuses to salary are the main motivational tool. Remuneration system is based on variable components of remuneration, particularly built on bonuses for individual results, is key feature of individualistic cultures, such as American culture. It supports employees' efficiency assessment system based on the results and achievements of an individual. It can also be used in collectivist cultures but bonuses are awarded, in such cases, for the teams' achievements. That is why in America remuneration is primarily based on the variable, which is very motivating and encouraging to increase efficiency (Wachowiak, 2009, p. 12).

American remuneration system forces employees to maintain effectiveness on the high level since it is verified on the ongoing basis. Such a solution may be difficult to accept by Europeans, especially those who are not accustomed to the strong competition in the workplace and this can also cause dissatisfaction from the salary (Wachowiak, 2009, p. 12). Americans are willing to accept up to 100% of the salary depending on the discretionary assessment, while for the Asians and Europeans the variable part of the remuneration may only in exceptional cases exceed 10% (Wachowiak, 2005, p. 121).

Additionally, in the Western culture countries the remuneration based on individual achievement assessment may be perceived as demotivating since a teamwork is more widely promoted, which requires collaboration, rather than competition between in dividuals (Sułkowski, 2010, p. 92). This is the result of changes in the work system caused by the knowledge-based economy.

In Asia giving bonuses can be an element of power, a tool that emphasizes the manager's position. Hence, the role of bonuses is completely different from the one in America. The bonuses in Asia give a sense of power to the manager and that is the source if their motivating impact and the potentially increased employees' engagement follows later (Sułkowski, 2010, p. 95). It is related to the criteria based on which bonuses are awarded, that is behaviours for which employees are additionally rewarded. In Europe, it is natural that bonuses are paid employees for aspects on which they have minor influence and are also minimally affected by direct results, like for instance seniority.

Table 2. Typical internal remuneration structure. A comparative analysis

Remuneration components	America	Asia	Europe
Bonuses for results	18%	14%	18%
Basic salary	29%	45%	52%
Non-financial benefits	21%	18%	18%
Shares and stock options	63%	11%	12%

Source: http://www.placa.pl/badania\_zarobki, access, 15 February 2022

The results in the graphical presentation are presented on in Figure 15.

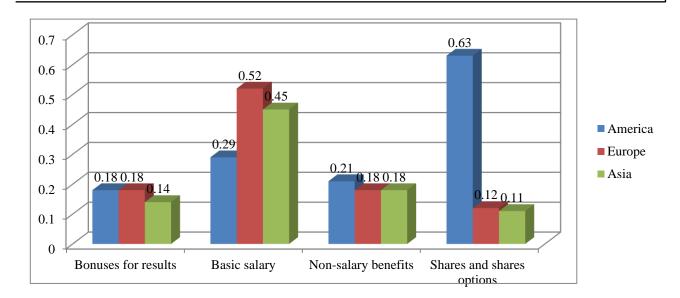


Figure 2 – Typical internal remuneration structure. A comparative analysis Source: http://www.placa.pl/badania\_zarobki, access, 15 February 2022

## Results and Discussion

In Asia, America and Europe – under the internal remuneration structure of a given employee, besides permanent and variable elements, there are also additional benefits. They include employees and management's benefits. The extent of their use as well as the type of benefits depend on a culture or habits in a given country.

In cultures of the high level of uncertainty avoidance, insurance, retirement and health systems are particularly extensive and they increase the sense of security. On the other hand, the use of long-term rewarding forms is limited as well as the results-related forms, such as bonuses, options and shares. They are perceived as risky and therefore, not popular.

Otherwise can be observed in America where 63% of American companies offer their employees stock options. In Europe, especially highly valued is basic salary and employees' benefits in countries of high femininity levels, such as Sweden, Norway and Denmark.

It should be noted that in Asia, Europe and America there is a different mentality of employees.

Table 3 – Employees mentality in America, Asia and Europe

	America	Asia	Europe
Employees mentality	Employees are very	Employees are fully	Employees work for
	responsible at work,	dedicated, frequently	financial rewards, they
	they are not as	workaholics, very	expect high
	meticulous for instance	distanced towards	remuneration and
	while giving	managers,	extensive motivation
	presentations, as	conscientious and	system.
	Europeans.	meticulous.	
Employees expectations	Shares and stock	High salary and	High basic salary and
	options	benefits	extensive social
	High salary		package

Source: based on information from GeoVision Inc., access February 2022

The following table shows the basis for bonuses in America, Asia and Europe. Studies carried out in international companies allow specifying factors affecting bonuses.

Table 4 – Factors affecting receiving bonuses specified by employees

	America	Asia	Europe
Work quality	60%	65%	45%
Engagement level	55%	45%	23%
Bonuses are not awarded	21%	3%	4%
Being liked by the	19%	21%	38%
company's management			
Good Luck	6%	11%	29%
Coincidence	5%	5%	21%

Source: based on information from GeoVision Inc., access February 2022

The most important factor determining receiving bonuses by employees is the quality of the performed work and the employees' involvement in their work. The graphical presentation below shows the results.

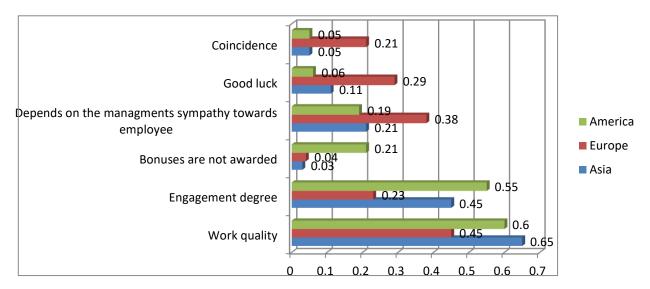


Figure 3 – Factors affecting receiving bonuses Source: based on information from GeoVision Inc., access February 2022

Non-salary benefits in America, Asia, Asia and Europe are increasingly used in the remuneration system as a cafeteria system, i.e. to be chosen by an employee and frequently, as a benefit for all or specific groups of employees (Białas, 2013, p. 287).

The most common work benefits include (Białas, 2013, p. 289):

- life, accident, retirement insurance;
- covering the costs of an employee and sometimes his family medical treatment (stay in private clinics, dental services);
  - the opportunity to purchase shares and bonds at a price lower than the market price;
  - housing loans, housing low-interest loans guarantee, moving house expenses, flat rental;
- covering the cost of an employee and his children learning, the fees for language courses, computer and sports classes;
  - covering the cost of trips at the weekend;
  - the right to purchase a product or service at special prices;
  - treatments at the beautician's;
  - birthday and Christmas presents;
  - business car and the cost of its operation, mobile phone, lunch, hairdresser, clothes;

- free or paid meals.

In the case of senior executives in America other forms of remunerations are applied – the so-called deterred compensation in the form of shares or application and options to purchase shares (Griffin, 2003, p. 530).

The assessment of all remuneration forms should include information how the remunerations components are formed as a result of their operation allows the company's goals achievements (Griffin, 2003, p. 531).

A remuneration is an instrument which strongly affects attracting and stabilizing employees need in the organisation, motivating employees and shaping their organisational behaviours, especially pro-effectiveness behaviours (Kozioł, 2003, p. 52).

The role of motivating employees is undeniable and of the highest priority. Crucial role performs those employees who acquire new customers and most importantly, shape the international company's image. However, only a well-designed motivational system may be beneficial for the company.

Employees who are satisfied with their work and more importantly, well-motivated are able to promote the company the best. The efficient work of employees translates into tangible profits for the company and other workers. Employees of international companies are systematically encouraged to increase qualifications but their motivation level is usually average. The most important is to adapt a motivational system to the culture and customs of a given country. In Asia, people are willing to dedicate their private time to work – they expect only a good salary, in America – shares stock options are most welcomed, while in Europe – the high basic salary and for instance, an extensive social packet are most appreciated.

An adequate motivational system management can be expressed by the means of various forms. It can be defined in the form of higher remuneration or it may be observed through the success of the company, such as prestigious awards. Such forms, however, are determined by employees' qualifications, their expectations and culture.

## 1. Qualitative research

Running business abroad creates new possibilities for a company as the new culture affects its business relations (on the example of SAP, German company, operating both in Poland and in the Czech Republic.

The country's culture, as well as organizational culture of companies compromise three layers: human creations and behaviours which are external manifestations of culture, norms, values and basic assumptions. As far as the external manifestations of culture are made well aware of and visible, standards and values are partly visible and perceived, while basic assumptions are recognised subconsciously as axiom and are undisputed. Basic assumptions manifest themselves in the human behaviour automatism. They impel to interpret reality and problems associated with it in a specific way.

#### 1.1. Sample

Thirty managers working in Czech and Polish subsidiary of SAP, 30 senior managers each company, were interviewed.

I have met with all the respondents individually to carry out the interview. It took place in February 2022.

For the purpose of the research I have prepared standardized and formalized questionnaire. The research was conducted directly. The questions were closed and one open question. The questionnaire in A4 format used in the research comprised 11 questions (5 questions defining the group, and 6 main questions). As a respondents' opinions researcher, I have filled it myself. The first part of the questions concerned general information about the respondents – their sex, age, seniority, employment status and financial status.

The second and main part of the interview contained questions connected with the influence of the Polish and the Czech national cultures on business relationships and motivation, as well as how those cultures shape those processes. The results of the research also depicted business cultures in

Poland and the Czech Republic. Moreover, the conducted research provided answer to the question whether – according to the SAP managers – stereotypes about a particular country influence the reception of a given national group.

## 1.2. Respondents structure

## Sex of the SAP respondents in Poland and the Czech Republic

In the Polish subsidiary of SAP 7 women (23%) and 23 men (77%) participated in the study, while in the Czech SAP – 14 women (47%) and 16 men (53%).

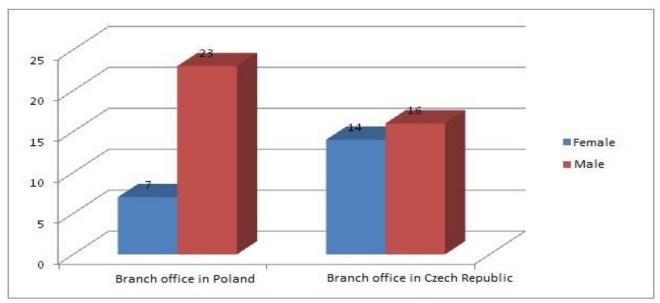


Figure 4 – Sex of the respondents in the Polish branch office of SAP and in the Czech branch of SAP Source: own research

## Respondents' age

As regards the respondents' age from the Polish subsidiary - people over 35 constituted 63% of all employees, aged between 28 to 35 compromised 30% and aged 20 to 27 - only 7%. In the Czech company people over 35 comprised 80% of all workers, aged between 28 to 25 - 17 % and aged 20 to 27 merely 3%.

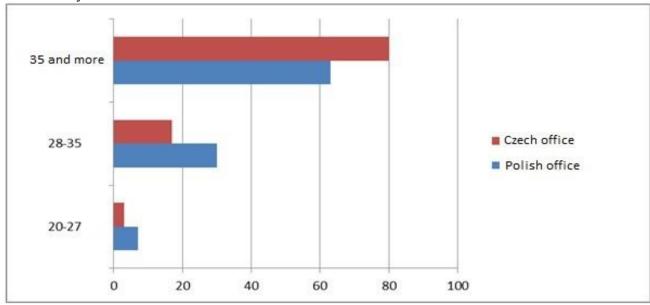


Figure 5 – Respondents' age Source: own research

## Seniority in the subsidiary in Poland and in the Czech Republic

The responses of the analysis show that majority of respondents (Poland -93%, Czech Republic -90%) work in current companies from 13 to 36 months. There were only two respondents from the Polish subsidiary and three from the Czech subsidiary who work there from 13 to 36 months.

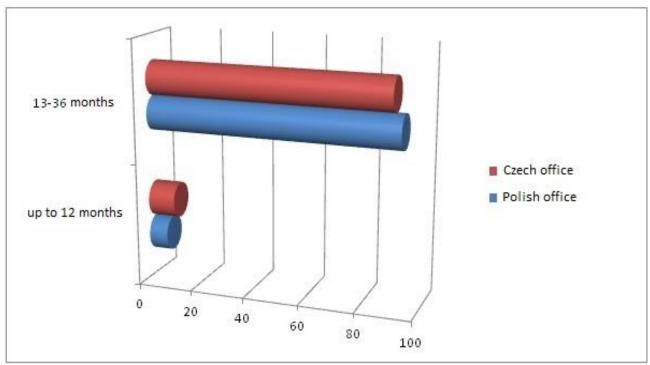


Figure 6 – Seniority in the subsidiary in Poland and in the Czech Republic Source: own research

## Form of employment

The responses from the Polish subsidiary (100%) and the Czech subsidiary are employed based on the employment contract.

Table 5 – Form of employment

rubic 5 1 orm of employment					
	Subsidiary	in Poland	Subsidiary in th	e Czech Republic	
Form of employment		Study group (N = 30)			
	N	%	N	%	
Employment contract	30	100	30	100	
Commission contract	0	0	0	0	
Total	30	100	30	100	

Source: own research

Sole answers "employment contract", researching correlation has no point

#### **Material status**

The analysis of the responses shows that the majority of respondents (Polish branch office - 80%, Czech branch office - 53%) have an average material status, high material status - Polish office - 10%, Czech office - 40%) and low - Polish office - 10% and Czech office - 7%.

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	Subsidiary in Poland		Subsidiary in the Czech Republic	
Answer	Study group $(N = 30)$			
	N	%	N	%
Low	3	10	2	7
Average	24	80	16	53
High	3	10	12	40
Total	30	100	30	100

Source: own research

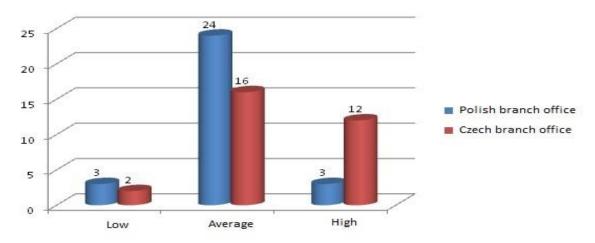


Figure 7 – Material status Source: own research

The next question was as follows: Does Czech/ Polish national culture affect business relations?

#### Focus area

Table 7 – Characteristics of the business culture in Poland and in the Czech Republic

	Subsidiary in Poland	Subsidiary in the Czech Republic	
Answer	Study group $(N = 30)$		
	N	N	
Timeliness	27	22	
Accuracy	24	27	
Special emphasis on ethics	20	24	
Entrepreneurship	2	12	

Source: own research

A multiple-choice question, ibid.

In the Polish subsidiary, timeliness and accuracy are most important, while in the Czech Republic subsidiary most attention is paid to accuracy and special emphasis on ethics.

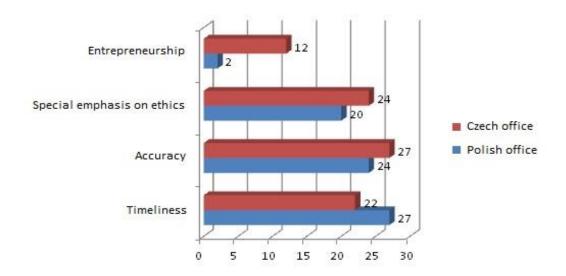


Figure 8 – Characteristics of the business culture in Poland and in the Czech Republic Source: own research

**Table 8 – Does Czech/ Polish national culture affect business relations?** 

	Subsidiary i	Subsidiary in Poland Subsidiary in the Czech Republic		
Answer		Study group (N = 30)		
	N	%	N	%
Yes	28	98	25	87
No	2	2	5	13
Total	30	100	30	100

Source: own research

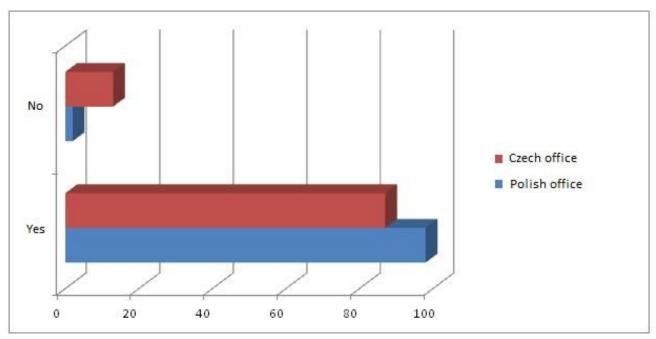


Figure 9 – Does Czech/ Polish national culture affect business relations?

National culture both, in Poland and in the Czech Republic strikingly affects business relations. It should be noted that each country has a distinctive culture which facilitates or hinders business processes.

Table 9 – How does the national culture affect business processes?

Answer	Subsidiary in Poland	Subsidiary in the Czech Republic
7 ms wer	Study group $(N = 30)$	
	N	N
Facilitates transaction execution	27	22
Accelerates the company development	22	27
Increases the company prestige	5	27

Source: own research

A multiple-choice question (here for the entire analysis can be used the table only).

On the question – How does culture affect business processes? - obtained were the following responses from the Polish subsidiary: facilitates transaction execution – 27 responses, accelerates the company development – 22 responses and increases the company prestige. Employees from the Czech company gave the following responses: increases the company prestige – 27 responses, accelerates the company development – 27 responses and facilitates transaction execution – 22 responses.

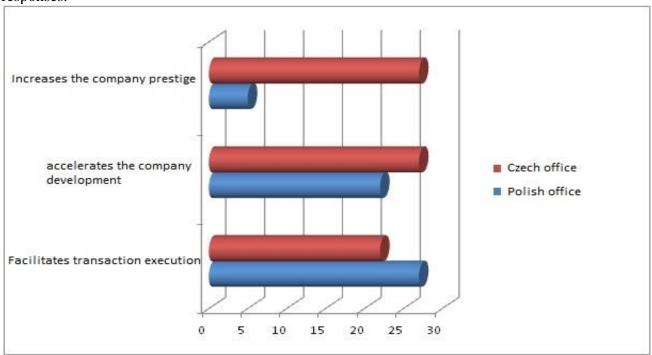


Figure 10. How does the national culture affect business processes? Source: own research

Table 10 – Do stereotypes about a country impact the perception of the national culture of that country?

culture of that country.					
	Subsidiary	Subsidiary in Poland		Subsidiary in the Czech Republic	
Answer	Study group (N = 30)				
	N	%	N	%	
Yes	20	60	25	87	
No	10	40	5	13	
Total	30	100	30	100	

Source: own research

Both, Polish and Czech respondents confirmed that stereotypes about a country impact the perception of the national culture of that country.

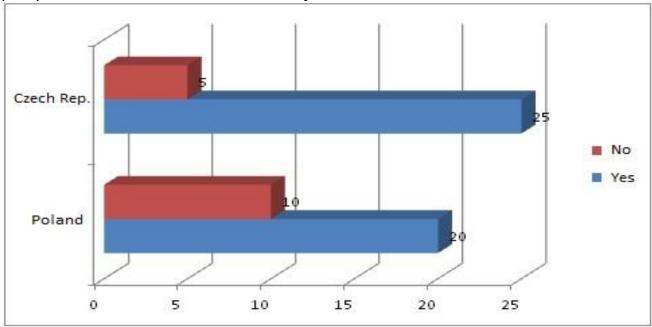
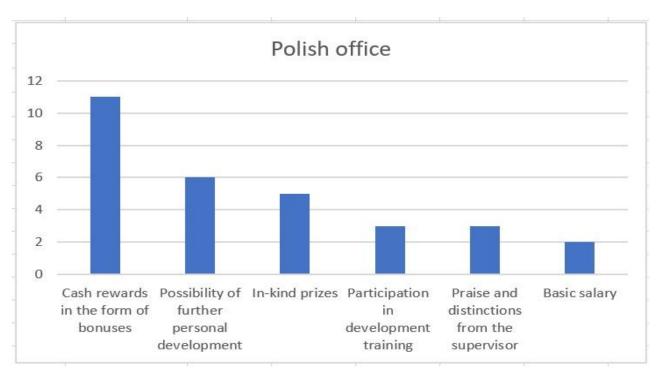


Figure 11 – Do stereotypes about a country impact the perception of the national culture of that country?

Source: own research

The next chart concerns the question what the greatest motivation to work in a team for the respondents is. In this case, the respondent could select up to two answers. When asked what the greatest motivation for the respondents to work in a team is, seventeen people indicated two answers, and fifteen people selected one answer each.



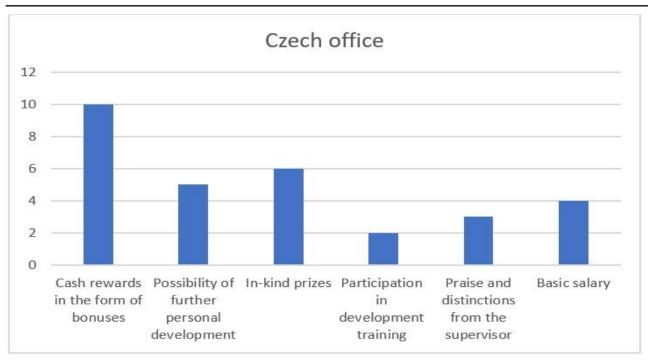


Figure 12 – What motivates you the most at work place?

According to the employees of the surveyed team, the greatest motivation for them is cash rewards in the form of bonuses. This variant was selected by 12 respondents in Poland and 10 in the Czech Republic. Eleven people indicated that they were most motivated by the possibility of further personal development (6 in Poland, and 4 in the Czech Republic). In-kind prizes, important for 11 people (5 in Poland, and 6 in the Czech Republic). Motivation in the form of participation in development training was declared by 5 respondents. For six people, praise and distinctions from the supervisor for good work are important. Only two people feel motivated by their basic salary in Poland, and 4 in the Czech Republic.



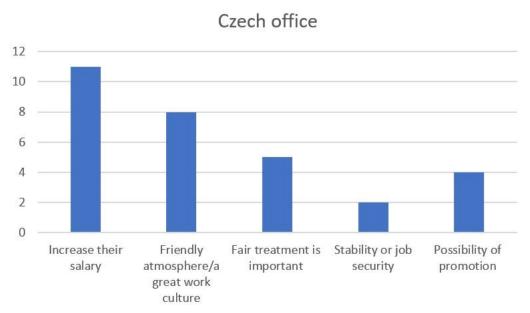


Figure 13 – What else motivates you at work (an open-ended question)?

The next question was open-ended, its aim was to answer the question of how else he could motivate employees to increase their commitment to work in a team. Here you had to write your proposal (you could give several answers. The largest number, as many as twenty people would like to increase their salary. Friendly atmosphere at work, came next. For 15 (7 Polish, 8 Czech) people fair treatment is important and for nine (4 Polish respondents, and 5 Czechs) people the possibility of using their own potential at work. Eight people indicated that the possibility of promotion would affect greater involvement.

#### **Conclusions**

National culture significantly affects its business relations and employee motivation. An example of this includes German company SAP, which operates both in Poland and in the Czech Republic.

National culture impacts organisation's standards and values. Not without significance is also the influence of regional and local cultures and the society's current value system. Important is also the company size and complexity (possibility of subcultures), average age of staff, company history, personality characteristics of founders, managers and individual employees. Type of a company – company's culture depends on industry and technology. Important is also the form of ownership, market conditions and the strength of the competition.

According to 98% of respondents working in the Polish branch of SAP Company the national culture significantly influences all business relations and 87% of Czech respondents have been of the same opinion. Thus, research carried out confirmed that. Respondents see the influence of national culture when comes to: facilitating transaction execution. Increasing the company prestige and accelerating the company development.

Moreover, in this particular case, from the analysis of the study of the two companies it appears that the national culture of the company's origin country has little influence on management and motivation model in the company. This is mostly due to the fact that the Poles and the Czechs account for the vast majority of the workers in the Polish and Czech branches. As a result, the transfer of domestic attitudes and cultural values to the company's head office is not so significant as in the case when most of the workers in the local offices would be expatriates.

To sum up, national culture is an essential factor creating new possibilities. Both directors and managers devote a lot of attention to this aspect.

But regardless of where a company is located, and what its background is, the proper adaptation of motivational methods and tools is the main prerequisite for successfully encouraging

employees to properly engage in their work. Appropriate organizational assumptions about motivation are not enough. Companies must understand what factors are the ones that actually determine employee engagement and motivate them in the right way. If they don't, instead of being totally committed to their work, employees will only routinely perform their assigned duties. The role of the manager or team leader is also extremely important here. She or he should not only gain the trust of his team members but, "design" it in such a way that he can give each of them due attention and entrust as many opportunities as possible so that the team could perform the tasks it likes.

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