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**ORGANIZATIONAL CULTURE AND HUMAN RESOURCES  
MANAGEMENT IN MULTINATIONAL COMPANIES UNDER THE  
CONDITIONS OF INTERCULTURAL ENVIRONMENT**

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*The aim of this paper is to present the opinion and experiences of professionals on specifics of human resources management and organizational culture forming in multinational companies. The theoretical knowledge is in confrontation with the results of sociological questioning in the form of structured interviews with managers of multinational companies branches in Slovakia. The starting point of the research was hypothesis about respecting national culture specifics in culture of multinational company culture. We can prove this hypothesis by research; the majority of companies apply transnational and polycentric approach to create local branch culture.*

**Keywords:** *organizational culture, human resources management, cultural differences, management approach, multinational companies.*

**Introduction**

The ambition of most executives is to perform managerial work which will result in the added value and sustainable competitive advantage associated with the strategic development of the organization. Therefore, managers and human resources professionals are constantly looking for the ways of how to improve the process and effectively manage the work of the people so that their effort will result in staff satisfaction and successful progress of the organization. Incentives for change in governance results from the development of the internal and external environment of the organization in the national and international context. One example of the initiation of the change in business development and management is the “Japanese

economic miracle“, in the seventies of the twentieth century reputed by the experts in the world economy (Baláž, P. et al. 2010; Cihelková, 2013; Kunešová et al. 2014 and others) as a challenge, that has become a stimulus for the study of organizational culture. In the eighties of the twentieth century, the development of globalization and internationalization sparked the creation and expansion of transnational companies which internationally interconnect all areas of economic and personal life.

Human resources management in transnational companies is more complex than managing in the local environment. The reason is a growing variety of cultural diversity of the employees and accepted principles of formation of organizational culture and rules of shared management. Employees of transnational companies are host country nationals as well as expatriates (parent country nationals) and staff from third countries (third country nationals). As noted by Koubek (2004), employees are in terms of ethnic, religious and other culture characteristics more and more heterogeneous and cannot be managed by using traditional local uniform approaches and practices. Operation of transnational companies in different countries brings new cultural values and norms and specific communication elements that may be the subject of misunderstandings. A prerequisite for an understanding of people of different cultures is in the basis of the knowledge of their own culture to learn to respect the diversity of cultures of other nations (Hofstede, 2001; Trompenaars, Hampden-Turnes, 2007; Holúbeková, Šebová, Vetráková, 2015 et al.). National culture of employees and managers is reflected in the formation of organizational culture of the company and affects its overall management, including human resources management.

The paper deals with clarification of the organizational culture and human resources management in organizations with national and international participation. Based on the results of the survey we will assess the preferred values and behavior of employees of selected organizations and point out the peculiarities of human resources management due to the inclusion of the organization into a transnational company.

### **1. Formation of the organizational culture**

The origin of the term organizational culture dates back to the end of the 1970s and the beginning of the 1980s of the 20<sup>th</sup> century, when the American theorists began to deal with economic culture, i.e. economic opinions relating not only to an organization, but to targets and methods of a country's economic life as well (Dolinska, Ambrozova, 2015, p. 90).

Reputable authors (Kilmann et al., 1985; Kotter, Heskett, 2001; Lukášová, Nový, 2004; Mihalčová, Gavurová, 2007; Sagiv, Schwartz, 2007; Aydin, Ceylan, 2009; Hitka et al., 2010; Kachaňáková, Stachová, Stacho, 2013 and others) agree that organizational culture can be seen as a set of basic assumptions, values, attitudes and norms of behavior that are acquired within the organization and are reflected in the

thinking, feeling and behavior of members of the organization but also in the artifacts of material a non-material nature.

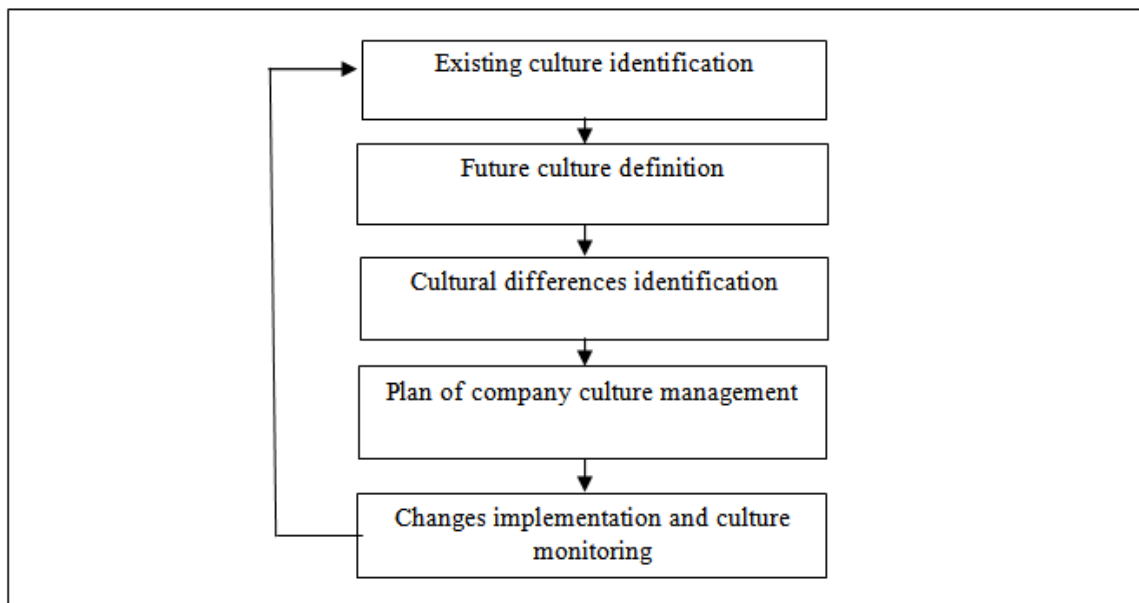
An important aspect of organizations active in intercultural environment is shaping organizational culture that connects and presents ideas, values and norms of stakeholders. Organizational culture and human resources management are interrelated, since the creators and users of culture are people working in the organization. According to Nyameh (2013), the relationship between organizational culture and practices in human resources management is significant because if employees understand and accept the organizational culture as their own, it will allow them to choose a strategy and behavior that reflects their personality and also corresponds with the main direction of the organization.

Creating organizational culture is intertwined with a number of areas of organization's activities. Armstrong and Storey (2008) are of the opinion that in the context of management of these areas it is mainly about so called hard and soft elements of management. Soft elements exist in the organization due to the presence of people who are in reciprocal social interaction. Examples include the ability to communicate effectively, to adopt the organizational values and their subsequent application to the everyday decisions of individual members of the organization, which leads to the improvement of the organizational culture. Formation of organizational culture influences the so called hard elements, for example organizational structure, strategy and plans of organization, management system and others.

Organizational culture is a reflection of the thinking and behavior of people, it cannot be exactly expressed or quantified, however it is nevertheless knowable and it is influenced by the past of the organization and its staff, is very inertial, it is impossible to create it by an directive, but it is necessary to achieve its voluntary acceptance and cohesion with it (Pfeifer, Umlaufová, 1993). "Formation of organizational culture is a complex process; its manifestations are recognizable rather indirectly. It is a long-term process, because the thinking and behavior of employees has considerable inertia. It is a difficult process, because change cannot be achieved by a command or directive." (Seková in Vetráková et al., 2006, s. 35)

In the case of transnational organizations operating in different geographic and intercultural environment it is important to know the attributes of the existing culture of all organizational units and specify the attributes of the new target culture – the myths, symbols, rituals, values and assumptions that underpin the culture. Only then a change in the processes and culture of an organization may be presented in a ways such as the selection and recruitment, performance management, system of incentives, work communication, organizational structure, strategy and policy. According to the authors Willcoxson and Millett

(2000) listed key points carry within themselves a number of different strategies that can be used in the management of the culture in the organization, which is based on a sophisticated understanding of explicit and hidden aspects constituting the existing culture. The formation process of the desired organizational culture is depicted in fig. 1.



**Fig. 1. The process of organizational culture management**

Source: Author's adaptation of Flamholtz, Randle, 2009.

After identification of the existing organizational culture within transnational company the company approaches to the formation of the desired organizational culture that respects the values and standards of behavior of organizations belonging to the company. In the process of future culture shaping (Reisinger, 2009) three approaches are manifested – ethnocentric (trust in the home country), polycentric (confidence in the country where the company is located) and geocentric (international orientation). The third step is to assess to what extent the existing culture fits into the required identification and cultural gaps i.e. cultural differences that need to be removed. The key question is to what extent the strategic culture is actually practiced in daily behavior. The fourth step is to develop a management plan for organizational culture, including cultural changes. A variety of tools and methods are used for change management, for example declarations, education and socialization of people in a culture, usage of rewards as incentives for cultural change and more. The last step in the process of governance of the culture is monitoring the cultural changes and assessment of the effectiveness of the culture management program.

## **2. Peculiarities of human resources management in transnational companies**

Human resources management in transnational companies has an international dimension necessitated by organizations in intercultural environment. Transnational companies bring with them not only advanced technology, know-how, business partners and other important organizational elements but also their cultural and social values, perceptions and norms. By the concept of a transnational company we understand a big trading company, which operates its business activities with goods or services in several countries<sup>1</sup>. According to the OECD transnational companies are "organizations operating in more than one country, which are linked in such a way that they can coordinate their operations in various ways. While one or more companies can have a significant impact on the activities of other firms, their degree of autonomy in various transnational companies can vary. The owners of such companies can be a natural person, state or a mixed form of ownership. "(OECD Guidelines for Transnational Companies, 2000).

The main purpose of the senior management (Potkány, Stachová, 2015) is also to create a social, political and economic environment that will allow every employee, irrespective of his nationality, to fully develop his knowledge, skills and competences and contribute to the objectives of transnational company. Every nation has its own culture, which is subject to review and scientific discussions by many experts. Extensive examination of the value characteristics of employees was conducted in more than 70 countries in the years 1969-1973 by Hofstede (2001) who, based on the collected information from the sample, derived criteria of diversity of national cultures expressed by quantity indexes. He classified power distance, uncertainty avoidance, individualism and collectivism, masculinity and femininity as the determining features of national cultures. Later, he assigned the fifth cultural dimension, which is short-term and long-term orientation (Hofstede, G. Hofstede, G., J. 2006). In examination of cultural differences by Hofstede continued Mink (2007), who suggested three other dimensions which are particularism/universalism, indulgence/restraint and pride/humility. Trompenaars and Hampden-Turner (2007) build on the results of the research of cultural differences which manifest themselves in communication between different nations and based on their own studies (ten years) of 46,000 managers from 40 countries they came to the conclusion that the culture of each nation has its own way of thinking, values, beliefs and different preferences, which vary over seven extents, so called cultural dimensions: universalism and particularism, individualism and collectivism, specific and diffuse orientation,

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<sup>1</sup> This designation is often synonymized with the term multinational corporation. The true multinational corporation, however, operates without any national nature or attribute.

neutral and emotional, beneficial and gender, sequential and synchronous, internal and external orientation.

Influence of cultures of several nations must be taken into account in the operations of transnational company and human resources management. We are inclining to the opinion of Robbins and Coulter (2004, pp. 98-111), who have considered sensitivity in relation to national differences and habits and adaptability and flexibility as an important preconditions of successful human resources management. As the important criteria for selecting staff who wish to work in a transnational company is necessary to include the ability to work with people, past experience of staying and working abroad, understanding of the culture of a foreign country, achievement of the expected level of education and mastery of the foreign language. Potential employees, who will work in a multicultural environment, should be prepared in advance and avoid cultural shock. (Deresky, 2014) Content of the training is not only cultural differences but also legislative, social and political system of a foreign country, economic and business environment.

Operations of transnational companies in foreign countries are developing in different ways and are manifested in the creation of non-traditional organizational structures. Transnational companies (Luthans, Doh, 2009) are connected through acquisitions (takeover of the organization), joint venture (a form of cooperation between two or more organizations) keiretsu (grouping of organizations that have cross way linked ownership shares) or they form strategic alliances (contractual or capital linking of two or more organizations). The traditional hierarchical organizational structure cannot be used to show the interrelationship between different parts of the company. Transnational company is so called inter-organizational network (Phatak, Bhagat, Kashlak, 2009, p. 279) and consists of various companies and organizations, subsidiaries, business partners and individuals. Each relationship between members of the network can vary depending on its structure e.g. the context of the environment in which the relationship is manifested. The working environment is different and requires different economic, social and cultural backgrounds. This means that human resources management can be different in every organizational unit.

### **3. Objective and methodology of the research**

In accordance with the theoretical knowledge based on the studies of publication outputs of experts in an organizational culture and human resources management and our own experience in the project<sup>2</sup> we have conducted a survey aimed at analysis of

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the organizational culture and the particularities of human resources management in organizations operating in the Slovak republic with national and international interest.

After year 1989, due to economic transformation and the creation of a market economy, several international organizations have started to operate on the Slovak market. Many came and still come with their own managers, previously learned procedures and methods of work, national and organizational culture. Diversity of cultures, different legal, political or economic system could and can be the cause of misunderstandings or vice versa incentive for change and opportunities for future development. It was also necessary to examine perceptions of organizational culture and human resources management, which were created due to the foreign parent company's management and employees. We were interested to find out how employees assess the current state of human resources management and what their expectations are.

The aim of the research is to detect the impact of organizational culture on human resources management due to the effects of an intercultural environment. Our examination is based on the assumption that the degree of influence of organizational culture on human resources management varies, depending on the approach to the management from the perspective of the parent company. At the same time we are interested in finding the differences or correlation in identifying the current and desired organizational culture in the surveyed organizations. The result of the study is the comparison of the views of employees and human resources managers' perceptions of diversity of cultures and peculiarities of human resources management in organizations with international representation in Slovakia.

The basic method of verification of the pre-set assumption is sociological questioning in the form of questionnaire and a structured interview. The objects of the sociological questioning in the form of questionnaire were the employees of the selected organizations with foreign representation in Slovakia. The questionnaire consisted of 15 questions focused on the current state and the desired organizational culture and human resources management and three identifying questions. The questionnaire was inspired by the methodology of assessment of cultural differences and their impact on human resources management according to Trompenaars, Hampden-Turner (2007) and Křečková Kroupová (2009). In a survey conducted in 2015 have been involved 345 employees of medium and large organizations. Collection of information has been conducted personally. The interviewees were students of the third year of study on the Faculty of Economics of Matej Bel University, enrolled in the course Human Resources Management. The representation of respondents was dominated by women (56.8 %) and the age group from 36 to 50 years (43.5%). According to job assignment we can see considerable diversity, 20 % of respondents are production workers, 13.9 % works in the administration, 13.6 %

works in marketing or sales related jobs, 11.3 % in finance, 9.9 % in services, 7 % in management, 5.8 % in human resources management, 4.3 % in logistics, 4.1 % in engineering and construction. On the other professions account less than 4 % and in this category can be found professions in law, information technology, research and others.

The results obtained by primary research have been verified by structured interview. The structured interview was based on the same questions which were addressed to the experts in the researched field which helps in achieving a consensus in the understanding of the organizational culture and management of the company in comparison with opinions of the employees. Structured interviews were conducted with managers or referents of human resources in transnational companies. In the interviews were included questions in relation to the formation of organizational culture, preferred values and behavior norms, the manner of recruitment and selection of employees and their development, performance management, resolution of conflicts and misunderstandings, work motivation and the impact of national culture on organizational culture of the company. The second part of the interview was focused on approaches to the management from the perspective of the parent company, competences and responsibilities of local managers, potential to carry out work in a multicultural environment and assessment of the work in national and transnational companies. We led structured interviews in 22 branches of multinational companies in Slovakia. There were 4 hotels, 9 production companies (mostly automotive industry), 4 commercial business companies, 3 information technology services companies and 2 financial services companies in this sample. The partial research results are described in the final chapter of this paper.

#### **4. Results of the research**

According to the questionnaires, 54% of respondents states, the effectiveness of work is managed by objectives given and controlled by manager of department. Almost 49% consider the goal setting in common (managers and subordinates together) is better way of performance improvement. This „freedom“ of employee goal setting is reality only in 16% of companies. Hierarchy and formal power is a key principle in the assignments and responsibilities allocation in 44% of companies. On the other side, more than 60% of employees prefer distribution of assignments and responsibilities according to the sources for assignment accomplishment and professionalism related with the expert area. Traditional line organizational structure is considered as the most effective. The reason is clear and definite formal contact between managers and subordinates. 54% of employees believe that having one boss is the best way of management. The most typical organizational structure is symmetrical line structure (the form of equilateral triangle). 10% of companies are practicing flat line structure and the rest of companies have narrow line or other types of structure.



The most important personal characteristics of manager are ability to take responsibility for results and liability (according to answer of 53% of respondents). Internal motivation and engagement of manager are considered as the most popular managerial skills. Another 35% of respondents marked the openness to learn and develop own potential and ability to give and accept feedback as the competencies of ideal manager.

Pro active attitude and initiative is in action only in cases of challenging momentary problem. In 30% of respondents companies is initiatives typical in case of extreme emergency. Employees thinks, the pro-active attitude and initiative should support innovation potential of companies in spite of correction actions. Almost 54% of respondent companies is practicing negative feedback, criticism and blaming. But more than 83% of respondents accept feedback focused on the task, with no personal invective. Conflicts are solved by open dialogue with presentation of facts in 39% of companies. More than 30% companies rely on formal procedures and policies in conflict solving. Almost 51% of employees prefer open interpersonal communication clearing values, attitudes and aptitudes. The system of employee evaluation is in 39.4% of organizations characterized by definition of future challenges and objectives and previous tasks and objectives are controlled; this is an ideal situation for 44.1% of the respondents.

The definition of success is based on achieving objectives and results. In 43.5% of surveyed organization the main aim is to be number one in the market. The desired ideal situation is to define success based on the interest about people and the ability to create and utilize new opportunities. 50.1% of respondents said the home organization is a place that is focused on results and achievement of objectives. The main focus is on the perform tasks. 43.8% of respondents said that it is a very dynamic place with lots of space for self-realization of people. People are determined to overcome new challenges. According to 33% of respondents the coherence of the organization is determined by the emphasis on results and achieving objectives and shared idea is aggressiveness in market. 32.5% of respondents think that the most important are formal procedures, rules and policies and continuous running of the organization. 45.2% of respondents mentioned loyalty and commitment, coherence and trust. Companies are flexible in strategic change flexibility. In case of multinational companies flexibility depends on the fact, if strategies of domestic companies are independent on the

A significant finding is that in some areas (in a certain percentage of organizations), there is an equality between the current state to the desired state. It is a system of evaluation, goal setting, conflict resolution and hierarchy in the organizational structure. There is an effort to support participation of employees in the organization and it is a positive trend. In 12 areas is the desired state completely different from the present. It is the area of the most relevant characteristics of

subordinates. The desired state represents self-motivation and openness to learn as well as to receive and provide assistance. Tasks and responsibilities should be allocated based on resources and expertise requirements for work to be assigned. Criticism should be focused on the task and not focus on man. Development of initiative should be aimed not only to correct the deviation but primarily to innovation. The ideal situation for keeping the organization together is loyalty and commitment, coherence and trust. Respondents imagine home organization as a big dynamic place with lots of space for self-realization. People are determined to overcome new challenges. The desired ideal state in understanding the success of the organization is its definition based on the interest about the people and the ability to create and exploit new opportunities. People expect a flexible approach to reactions.

In the first part of the interview we dealt with the examination of corporate culture, in the second part of the interview we were interested in the way of management of the company.

15 of the 22 surveyed companies said that they have in company drawn up and adopted a common vision, strategy, philosophy and credo for all enterprises belonging to the international company. In 4 organizations there is a subsidiary strategy derived from the strategy of the parent company and in three organizations there is created own strategy, vision and credo for each of the company.

Guidelines, instructions, schedules, rules are either binding for all internal organizational units of the company or typical for the company. The common documents included organizational rules, regulations, process descriptions, and process standards, documents relating to financial policy, anti-corruption policy, ethical behavior, European legislation, and organizational and work rules. Typical documents for the subsidiaries include, for example documents relating to accounting, information systems and information security, registration, logistics, personnel actions in addition to strategic decisions, health and safety, crisis management and civil protection, obligations of collective bargaining and local legislation. Respondents from 8 surveyed organizations said that all documents relating to the operation are common to all organizational units and some areas are regulated according to local legislation. In one company all the documents are modified for their own needs (unless there is not conflict with the strategy of the parent company and international legislation).

In 19 surveyed organizations there are share common values, norms, rules, standards of behavior, rituals, dress code, symbols, rituals and social gatherings. Specific part to each organization is for example budget for social gatherings, interiors, clothes. Some organizations respect religious particularities (one surveyed organization).

All respondents said that their company provides opportunities for further training of staff, including managers, some have their own training facilities.

Development programs carried out at the local and group level for employees and managers. One organization creates new job opportunities (currently have approximately 300 vacancies). The motivating of employees relates to the quality of work and higher performance. All surveyed organizations use a wide portfolio of motivational tools for creating motivational environment. The most frequent tools include multicomponent remuneration (in 17 organizations), education (in 12 org.), career development (11 org.), employee benefits (9), the possibility of career progression (5), goal setting and evaluation of operational performance (5), praise (5). Other tools are: care for employees, relationships in the workplace, the possibility of self-realization, increased powers and responsibilities, adaptation processes, management style, confidence, work itself, the possibility of using foreign languages.

Gross violation of the standards of behavior of staff or relationships with customers companies consistently resolved in accordance with local legislation (most often given the Labour Code). Ingestion of alcohol in the workplace companies solve by the immediate denunciation and in one enterprise is an ethical ambassador.

Respondents' opinions on the impact of national culture on the formation of corporate culture in the company are different. 10 respondents expressed an absolute approval to this impact (from significant to a minimum degree in the direction of positive and negative). 4 respondents declared absolute negative opinion. They said national culture has no impact on corporate culture. According to respondents, the positive effects of national culture on the corporate culture are: creating an environment for successful achievement of the targets, the use of the positive aspects of each culture. This drives organizations to unify values, fair and equitable rules in relation to employees, to shape organizational culture, to encourage competitiveness and solidarity and willingness to take risks. In some organizations, the national culture of the mother country adapts domestic national culture, in some organizations it's the opposite. The culture of the mother country penetrates into the corporate culture of the company more aggressively and gradually. Respondents said that cultures that aggressively penetrate into the corporate culture of our companies are German and Italian culture. For example, the view of the respondent, "the penetration of national culture into the corporate culture is most evident in Italian colleagues. Positives – the presence of different viewpoints and the synergy benefits for the company. Negatives – different thinking of Italian and Czech colleagues, misunderstanding or frustration". In other national cultures, it is less intensive.

The greatest attention of human resources management in the surveyed organizations is devoted to evaluation of employees and their work performance (15 organizations), selection, recruitment and staff development (10), work motivation (8), finding and retaining talent (4). Further preferred activities in the field of human resources management are care management, compensation, job analysis, recruitment, adaptation, monitoring and updating of the corporate strategy.

Does the development of human resources depend on the corporate culture? On this issue, we also got quite wide range of responses. Most respondents (20) answered in the affirmative; they said many examples how it manifests in their organization. For example, a positive corporate culture contributes to creating an environment for increased productivity; corporate culture should support the development of HR; it is a question of attitude towards the improvement; standards, rules, shared values contribute to the development of people; corporate culture affects employee attitudes to work, enterprise; mission and values influence the direction of staff development activities; "the fish rots from the head"; appreciation of the value of HR; "HR are business card of corporate culture"; it promotes diversity in leadership styles. Two respondents took the view that corporate culture does not affect the development of HR – HR development have to be set independently from the corporate culture and has to be dependent on the goals and needs of enterprises.

Experience of respondents with HRM and shaping corporate culture with respect to cultural differences are as follows: it is difficult to enforce Slovak legislation to HR policies and management; there are strictly defined rules of the parent company; a difficult transfer of employees to a foreign country with a different mentality, traditions, culture, thinking; conflicts; deal with multicultural environments (different owners, "Franchise", managers, employees, clients); inspiration, source of learning, self-reflection; cultural differences can be overcome with cooperation, the rules of communication and understanding verification; the pursuit of shared common values; training about cooperation between different cultures; coaching; increased overtime; no differences except the use of foreign languages.

Subsidiaries provides information reports about the results in each area of management (11) to the parent company regularly, usually daily, weekly, monthly, quarterly, semi-annually and annually and if it is necessary operatively. Content of the information (messages, documents...) includes the financial situation, personnel issues, exchange of knowledge and work experience, offered product, operations, strategy. Organizational units use to communication between each other and to communication with the parent company e-mails (all organizations), personal visits (9), phone (6), teleconferencing (5), intranet, mail, conferences and meetings (4) video conference (3), internal chat (2) information through a spokesperson (2), the language of the parent company.

Problems with the current legislation in Slovakia and in countries with which companies cooperate are different. But frequency of problems is minimal, so we do not present it. 4 respondents indicated that they do not have experience with problems in this area. In general we can say that the local and EU legislation regulating business in the domestic and international environment are very complicated and often confusing, with a high frequency of changes, so that in this field are also evident problems. Respondents identified the following areas in which there were

problems: accounting, taxation, and collective bargaining, working hours, and shift work, length of leave, business negotiation, communication, and parental leave. Respondents said that the most frequent problems connected with differences of national culture are problems of language, (4) communication (4) and rarely ineffective co-operation with the parent organization, communication barriers within the meaning of different mental attitude, failure to comply with labor discipline, misunderstanding priorities, different perception of values, indecision and unpunctuality, crime, different way of management decision-making (e.g. Italian impulsiveness and confusion versus Czech focus on the facts and structure), wearing Islamic dress for women. 4 respondents said that in this area there are no problems.

Half of the surveyed organizations is centralized in decision-making (the parent company has the responsibility of decision-making) and the second half of the organizations is decentralized in decision-making. Systems used by management are as follows: ethnocentric approach – application the system that is based on the culture of the location of the parent company (4), polycentric approach – adapting corporate culture to national culture of the host country and freedom in decision-making (7), the transnational approach – corporate culture is a mix of cultures of all organizational parts of the parent company (8). Other respondents did not comment this issue.

Respondents identified a number of requirements for a suitable candidate who can work in an intercultural environment at the top management positions. Respondents mention a number of requirements relating to professional knowledge, practical skills and personal – social maturity. The most frequent requests were language skills (14), leadership (6), stress resistance, flexibility and empathy (5). Other less common requirements: understand the market and customer needs, education, crucial relationships, diplomacy, innovation, know the reality, resolve conflicts delegation, objectiveness, analytical thinking, strategic thinking, natural authority, perseverance, creativity, divergent thinking, working with people, leader, several points of view, make compromises, operate ICT, tolerance, quick decision making, organizing, planning, enthusiasm, pro-activity, create and clarify the vision, integrity, balance, adaptation, skills, acceptance of differences, communication, willingness to learn, change management, practical experience, willingness to travel, respect for cultural differences, openness to new things / opinions / work styles / forms of communication, responsibility, managing teams, foreign experience, top view, individual approach.

Respondents indicated areas which they perceived as strengths and weaknesses in business management with international presence: strengths – Respondents mentioned as strengths – the synergies resulting from the combination of the best from different countries / cultures; inspiring diversity, stability, security, established rules, procedures, shared marketing, exchange of information, professionalism and

experience of top managers, skilled workforce, the development of language skills, clear structure, systematic approach, the opportunity to share problems and solutions, branches in several countries, markets, a different view of things, diversification, sharing values and mutual assistance. Respondents identified the following weaknesses – in the international corporations there is a significant degree of complexity and the need to build extensive organizational system that ensures the sharing of information across the whole group (and there's also a significant degree of distortion of information), international company does not solve the problems subsidiaries, the expected results, lack of knowledge of cultures, laws of the country, conflicts, the need for autocratic leadership sometimes duplication of work and difficult communication, less flexibility and responsiveness to the situation on the domestic market, the lengthy approval process and introducing new products and personnel decisions, sometimes disorientation to timing differences, difficult to organize meetings, virtual communication, language barriers, personal characteristics typical for countries, low flexibility and power of subsidiaries, dependence on parent company, bureaucracy.

### **Conclusion**

The purpose of this article was to present the views of experts on the particularities of human resource management and shaping organizational culture in multinational companies. Based on theoretical knowledge we assumed that differences in national cultures and approaches to the management of individual parts of a multinational company are respected in the organizational culture and human resources management. To verify the hypothesis we conducted a survey with the aim to identify the impact of organizational culture on human resources management due to the effects of an intercultural environment. The survey results suggest that in surveyed organizations there are differences in the current state of organizational culture and desired state in almost all surveyed areas. We conclude that respondents are aware of the problems in their current organizational culture and also know to name the desired state what is an important prerequisite for change. It is pleasing and optimistic that this desired state is a clear direction to understanding people – employees as an equal partner to the management of the organization because employees are the most important and most valuable resource for the success of the organization.

The results of the investigation through interviews showed how respondents perceive the current state of corporate culture in their home organization, which problems are in their work in intercultural environment, what are their views on the impact of national culture on shaping corporate culture, what are their opinions on the relationship between human resources development and corporate culture. An interesting finding is that the largest number of organizations (8) applies transnational approach, 7 organizations apply ethnocentric approach and 4 organizations apply

polycentric approach. Half of surveyed organizations have a centralized management system (from the parent company) and the second half of organizations has decentralized management system. Among the significant findings we include the fact that respondents are sensitive to the diversity of national cultures. They are aware that the work in multinational companies due to a multicultural environment has its own specifics which are necessary get to know, respect and continuously prepare for solving problems associated with it. The hypothesis has been verified and confirmed – differences in national cultures and approaches to the management of individual parts of a multinational company are respected in the organizational culture and human resources management.

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