International mobility of Polish managers

Abstract: Due to the internationalization of Polish enterprises, it is appropriate to look at the tendency of managers to take up business and compete in the global labor market. The purpose of this article that is of theoretical and empirical character, is, therefore, an attempt to evaluate the mobility of Polish managers, or their willingness to change their place of work outside the home country. The matrix is a theoretical discussion of the importance of mobility for today’s corporations. Empiricism refers to the author’s own research (these are telephone interviews with 15 managers and two expert opinions) carried out for such this article, and also presented the results of the exploration of other researchers addressing these topics.

Key words: mobility, migration, Polish manager, expatriate

Introduction

The issue of mobility can be found in many areas and disciplines of social sciences (sociology, anthropology, social policy), where mobility is a social notion meaning movement of people. Some authors interchangeably use the terms “spatial mobility” and “migration”. [Kawczyńska-Butrym Z., 2009]. Mobility also attracts interest of researchers in management sciences, not only in its sociological meaning [Kowaleski J., 2000; Sienkiewicz Ł., 2009], but is also considered a personality trait [Mendenhall M.E et al., 2011] and criterion for selection of an employee who wants to work in international corporate structures. In the management practice of international companies, mobility is a challenge to their business operations on the global market.

In the last two decades of market economy (a relatively short period with regard to world standards), few Polish managers have had the opportunity
to develop their career internationally\(^1\) and gain substantial experience in management. W. Rozłucki [2010] lists two reasons for such situation. Firstly, frequent changes in key positions in Polish companies were a characteristic feature of the transformation period connected with privatization and transformations. Secondly, in line with global trends, the average length of the period of managerial office has reduced. Currently, it is two times shorter than 10 years ago. In addition, shareholders and investors expect immediate results, which sometimes makes it impossible for the managers to prove their skills in a long term.

As Polish companies become international, it is a good idea to look into the managerial staff’s willingness to take up activities and competition on the global labour market. The aim of this theoretical and empirical article is an attempt to evaluate mobility of Polish managers, i.e. their willingness to go and work abroad. Discussion on the significance of mobility for today’s corporations constitutes a theoretical basis for this article. Empiricism relates to the author’s own study (interviews with 20 managers and two expert opinions) conducted for the purposes of this article. The results of studies by other researchers on this subject have also been presented.

**Importance of mobility in the area of international activity**

Spatial mobility or migration means a relatively constant change of one's place of residence in a geographical space [Kawczyńska-Butrym Z., 2009; Kubitsky J., 2012]. It also means willingness to take up work in another place, region or country. The available literature on the subject also distinguishes professional mobility meaning the willingness to change one's profession. Migrations have been known to mankind for ages\(^2\), although they have had various forms over centuries and people have migrated for various reasons. Data of the World Bank on international mobility shows a growing tendency in this area. In 1990, 80 million people all over the world changed their place of residence; in 2005 there were 191 million and in 2010 – almost 214 million [for: Murdoch, 2011]. It is worth to mention that the issue of taking up work abroad is composed of various external and internal factors [Przytuła S., 2012, pp.43-58].

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\(^1\) L. Czarnecki [2011] points to a dozen or so Polish entrepreneurs who have been active on the Polish and international market for a dozen or so years. What is more, many of them occupy leading positions in the European entrepreneurship rankings.

\(^2\) The first migration was expulsion of Adam and Eve from the Garden of Eden. Their migration was a punishment for eating fruit from the tree of knowledge of good and evil. A consequence of this forced migration was knowing good and evil – one of the causes of human personality development [for: Kubitsky J., 2012; Kuc B., Żemigała M., 2010].
The studies by Deloitte company [Strategic Moves, 2012] show that the three major strategies and challenges that organizations face today are: entering emerging markets, increasing globalization and growing competition (Figure 1).

**Figure 1.** The most important challenges for global corporations

![Bar chart showing the percentage of respondents facing challenges](chart.png)

*Source: [Strategic Moves 2012]*

According to 98% of the respondents, the most effective tool that can be used to face such challenges is global staff mobility. However, the same studies show that only 2% of the largest global companies admit that they use mobility strategy in HR management with success, allowing them to conduct activity in various geographical areas, cultural and business environments [Strategic Moves, 2012].

The strategy of HR mobility is connected mainly with identification of some qualifications (understood as psychological qualities, knowledge and skills) of the workers that make them good candidates for work abroad. In the first place, it is about personality traits, such as achievement motivation, openness to cultural diversity (cultural flexibility), stress resistance, cultural empathy and adaptive skills [Rozłucki W., 2010, p.78], as well as mobility, sociability and cultural flexibility [Mendenhall M.E. et al., 2011] and finding out if they affect international career. Results of studies conducted by psychologists on linking personality traits with mobility are quite contradictory. Van Vianen’s studies do not confirm the hypothesis that any of the Big Five personality traits affects professional mobility. However, it turns out that the level of neuroticism, agreeableness and openness to experience affects seeking new job to a large extent. Contrary to a popular belief, extravert persons are less willing

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3 Big Five traits: extraversion, conscientiousness, agreeableness, openness to experience, neuroticism. More in: [Przytuła S., 2009].
to leave their organizations as they tend to be more satisfied with their work. According to Vinson, the most important predictors of professional mobility include conscientiousness, extraversion and openness to experience.

However, in the opinion of Salgado, turnover is most likely with persons exhibiting lower emotional stability, conscientiousness and agreeableness. Moreover, it turns out that age and sex determine professional mobility to a larger extent than personality. Mobile persons are usually young males [Godlewska-Werner D., 2005, p.593].

Polish companies delegating their managers to foreign subsidiaries took the following qualifications into account: technical and essential competences (80.7%), language competences (71.93%), previous professional achievements (70.18%), experience in work in an intercultural environment (56.14%) and personality traits (50.88%) [Pocztowski A., 2012, p.76].

The level of employee mobility varies from country to country and from one geographic region to another. The studies confirm that the Europeans are much less mobile than the Americans. In the area of spatial mobility in 27 EU countries, the percentage of residents who move between countries is less than 0.5%, whereas in the USA it is three times higher and ca. 1.6% of the population move from one US state to another permanently (Figure 2).

**Figure 2.** Employee mobility in the UE and in the USA in the years 2002-2009 (in %).

![Employee mobility in the UE and in the USA in the years 2002-2009](image)

Source: [Bukowski, 2011]

According to the available literature, low mobility in Europe is caused by language and cultural barriers, as well as institutional and legal factors, especially differences in the labour law, social security systems and formal recognition of employee qualifications [Bukowski M., 2011](Figure 2).

Taking into consideration domestic movements as well, only one person in a hundred in Europe moves to another country, whereas most of the European
countries have a smaller area than many US states. However, the reasons for mobility in Europe and America are different. According to the American studies, seeking or taking up work in another state is not the main reason for move (only 1/5 of moves), much important are factors related to finding a place to live. In Europe, however, economic factors are prevailing [Bukowski M., 2011].

According to W.Rozłucki [2010, p.79], mobility trends among employees of international companies result from the culture of a given nation, e.g. the Germans and the Poles value stabilization and security. In the USA, bonds with companies are generally weaker, so the willingness to change the place of work is higher, regardless of whether a given manager has already worked abroad or not.

Similar dependency was also noticed by J. Miroński [2004]. For example, the average length of employee service in a Japanese company was 13 years, whereas in the USA, this figure amounted to 3.6 years. Ensuring a long-term employment has become a priority in over 97% of companies in Japan. It is apparent in international comparisons: in France or Germany, this percentage amounted to 60% and in the USA and UK, most of joint-stock companies attached greater importance to payment of dividends than to permanent employment [Przytuła S.,2011, p.98] (Figure 3).

**Figure 3.** Priorities in international companies

![Figure 3](image)

Source: [Miroński, 2004, p.85]

The research by the Public Opinion Research Center (CBOS) [2011] shows that Poles exhibit relatively low professional and spatial mobility (domestically). The percentage of employees who have never changed their employer is one of the higher ones in the EU⁴. On international level, such mobility is rather average – 38% of the respondents is ready to take up work abroad, but it concerns mainly young people [Sienkiewicz Ł, 2009, p.78].

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⁴ According to the declarations, in the last 10 years, 11% of adult Poles have worked abroad. 1% declare that they are currently employed abroad. [CBOS,2011, p.2].
To sum up, it could be said that in the face of internationalization of economic activity, the issue of mobility is becoming a key challenge for international companies, although not many of them can successfully acquire “mobile workers”. Therefore, it seems that employee staffing and adjustment of their qualification to job requirements is an important area of personnel function.

Polish companies enter international markets more and more often\(^5\), although the main destinations for Polish foreign investments are located within European countries. From this perspective, it is worth to look into the reasons for geographical migration of the Polish managerial staff able to manage Polish subsidiaries and compete with other managers on the global labor market.

**Reasons for taking up work abroad by Polish managers**

According to the studies by Intur company, almost 20% of all foreign travels in Poland are business trips (Figure 4).

**Figure 4.** Motives of going abroad according to Polish citizens in 2010

![Pie chart showing motives of going abroad](image)

Source:[www.intur.com, 2013]

Countries most frequently visited by Poles for business purposes include Lithuania, Germany, Belgium and the Netherlands. Those are also the main destinations for Polish export and direct investments. The main export partner of Poland is Germany. In 2009, value of Polish export to Germany amounted to USD 35 679 million, making up 26.1% of Polish export. Another key destinations for Polish export include: France (7% of export value), Italy

\(^5\) The report of the Central Statistical Office (GUS) shows that Poland-based companies invested their capital in 96 countries all over the world, [http://www.gus.pl](http://www.gus.pl)
(6.8%), UK (6.8%), the Czech Republic (6.4%), the Netherlands (4.2%), Russia (3.7%), Hungary (2.7%), as well as Sweden, Spain, Ukraine, Belgium, Slovakia, Austria and Norway. Polish export to the above 15 countries makes up 79% of the total value of domestic export [Ageron Polska, 2011] (Figure 5).

**Figure 5.** Export partners for Poland

![Chart showing export partners for Poland](source)

Source: [Ageron Polska, 2011]

The majority of investors participating in the study plan to develop their foreign companies and subsidiaries (61% of the respondents) and many of them also plan to take up new enterprises in the form of foreign direct investments (31%) (Figure 6).

**Figure 6.** Decisions of Polish investors

![Chart showing decisions of Polish investors](source)

Source: [Ageron Polska, 2011]

The main destinations of future foreign expansion in the form of FDIs of Polish companies participating in the study were mainly EU-12 counties, as well
as other Central and Eastern Europe countries, whereas the most commonly mentioned countries for investments included Romania and Bulgaria (in the group of EU-12 countries), as well as Ukraine and Russia (in the group of other Central and Eastern Europe countries). Only 1% of the companies planned to limit expansion in the form of FDIs and less than 8% planned to withdraw from such expansion [Karaszewski W. et al, 2010, p.25].

In the studies by A.Pocztowski [2012, p.20], the most common reason for Polish expatriates’ assignments was expansion of the companies to new markets (84.21%), transfer of new solutions (50%) control over subsidiaries’ activities (45.61%), as well as facilitation of communication between the main office in Poland and subsidiaries.

It can be stated that the main destinations for Polish investments are Eurocentric, although Polish entrepreneurs are becoming more and more expansive each year when it comes to foreign direct investments.

Apart from the above listed reasons for taking up work abroad of external nature (market, costs, supplies), internal motives related to personal development and individual needs of Polish managers should also be mentioned. In other studies [Pocztowski A., 2012, p.22], in the opinion of Polish companies, the most important factor for success in working abroad, was managers’ motivation for leaving their home country.

In the poll studies conducted on the group of 65 Polish middle and top managers, the respondents were asked to explain their motives for taking up jobs in foreign subsidiaries. They pointed to higher salaries, opportunity to improve language skills and establish international relations, gaining experience in work with foreigners, a broad range of non-financial benefits and various compensations [Lachiewicz S., 2007].

According to A.Maciejewski and R.Nowakowski [2011], in Poland, there is a group of managers, who can adapt to and feel comfortable in international environment. For them, promotion to the position of a president of a Polish company is less exciting than being a manager in the region of Central and Eastern Europe. They are comfortable with the style of life and work “on the road” even though it entails some limitations.

Studies on staff turnover in Polish companies provide information on the reasons for changing work or workplace. For many persons, the most important was working their way up the career ladder and earning more money by changing their place of work. It should be noted that employees of companies with foreign capital less frequently changed their employer than the employees of domestic companies (Figure 7).
Although the main reason for turnover in non-managerial positions was low salary, in managerial positions, the reasons for changing place of work were completely different [Karaszewski W. et al., 2010] (Figure 7).

In the opinion of experts obtained for the purposes of this article, attractive perspectives outside Poland are fading. Many new business opportunities have appeared on the Polish market and the market itself has become dynamic and full of potential. On the other hand, even high salary for work abroad, taking into consideration higher and higher rates on the domestic market, does not compensate for sacrifices resulting from the decision to go abroad.

There is also a group of managers who go back to their home country after termination of foreign contracts. Many of them are surprised that there are no new, progressive offers or more responsible positions for them utilizing their newly gained experience in their mother companies. They are not overwhelmed by job offers from other companies either. However, it does not mean that there are no attractive job opportunities on the Polish market for managers with international experience. Competences acquired abroad are more universal than those gained in the home country. Such experience can be useful for Polish companies, often large ones and present on the stock exchange, planning to go international.

**Mobility of Polish managers – results of studies**

The level of mobility of Polish managers was one of the highest among 30 European and non-European countries in 2011 despite the fact that the overall level of mobility of Poles in comparison with other nations is quite low. Results of studies by Ernst & Young in 2009-2011 also confirmed high spatial mobility of the so called C-suits (CEOs, COOs, CFOs).
Polish presidents and board members find employment in various subsidiaries of international companies in Central and Eastern Europe. They hold a considerably lower amount of such positions in the countries of Western Europe. The reason could be that they have gained managerial experience on the developing Polish market and such experience is especially important and useful on such developing markets\(^9\). Poles go to subsidiaries of their companies in Russia, Ukraine, the Balkans, China, India or even South America. Sometimes they get promoted in the main office, being sent to one of the countries of Western Europe, rarely USA [Maciejewski A., Nowakowski R., 2011].

According to D. Czarnota [for: Leśniewska Z., 2000], the times when foreigners prevailed in managerial positions in foreign companies are gone – Polish managers are better and better educated, more and more competent and their employment is definitely cheaper, as costs related to renting a house and providing for their family can be omitted.

Similar opinion was expressed by K. Obłój [for: Błaszczak A., 2010] „Careers of Polish managers are usually about international corporate policies, which have changed dramatically over the last 10-15 years. Global companies, or at least most of them, start sucking out good employees from peripheral markets as those people are usually innovative, creative, bold and not set in conventional patterns. However, political correctness also counts – today, if a global company is creating a management team for Europe, it is customary to have a manager from Eastern Europe in it. Promotion of Poles up to the top level of global corporate ladders could be possible only when a stronger Polish alliance emerged in such companies. A support group must appear consisting of sufficient number of Poles who support one another”.

In the opinion of Polish managers employed in international structures, personality traits of a mobile Polish manager include: openness to changes, resourcefulness in unstable conditions, excellent adaptive skills. Sense of humour and emotional intelligence are minute. In addition, Polish managers stress the importance of very good understanding of practical business and excellent language skills, primarily in English\(^6\).

A „fly in the ointment” in this positive image are studies by W. Iszkowski, who notices that behaviour of Polish managers still displays many habits and attitudes shaped in the conditions of centrally planned economy [Iszkowski W., 2000].

Other qualifications highly valued in international career include international education, impression management skills and ability to cooperate with people from various cultures – a problem for many Polish managers. “We are not international enough and we rarely participate in international recruitment challenges. It all starts with education that should be international, too. And we usually study in Poland together with other Poles, then get married and work in our home countries. We should study abroad more often” [Polski menedżer..., 2012].
Similar opinion was expressed by an expert in this area of management: “Among from the countries of Central and Eastern Europe (Romania, Hungary or the Czech Republic), Poland adapted to the world of capitalism best. Poles are ambitious, they do not have the ‘prima-donna complex’ (they require much from their employees while working hard as well). Therefore, Polish managers are perceived very well by their Western colleagues. However, Polish managers have some flaws in their professional development, e.g. in the area of impression management or ability to promote themselves and their achievements. They can talk about their activities and tasks in an interesting way, but not about how they achieved them, often after a hard work. Therefore, they wait for promotion to higher corporate positions longer than managers of other nations. This is definitely the weak point of the Polish managerial staff”.

Qualifications of Polish managers have been evaluated by B. Kuc i M. Żemigała [2010, p.144]. Less than 20% of Polish managers present high level of cultural intelligence. It presents an image of a manager poorly accustomed to cultural diversity. Although over 90% of them use English and almost a half of them know at least one other foreign language, 90% of managers do not have any contact with other cultures and over 80% of them have experienced cultural clash. The examined group is poorly prepared for taking up activities in global economy. Cultural differences are a problem that can only get worse without a complex education scheme.

The author’s own research conducted in the form of 20 interviews with Polish managers employed at Polish subsidiaries of foreign corporations shows that despite good qualifications and substantial managerial experience, they are not appreciated by foreign staff. The top positions in such subsidiaries are held by foreigners (Figure 8):

**Figure 8.** Who is taking the highest position in Polish subsidiary?
In the opinion of one of the Polish managers of a German production company: “I have the impression that there are positions that will always be occupied by expats, e.g. plant managers. In France or Italy, our subsidiaries are mature companies operating on a mature (Western) market and local employees are promoted to top positions much faster there. In Poland, the corporation has been operating for 11 years and we still see no Polish successor for the position of president”.

On the other hand, however, as many as 83% of Polish managers admitted that expats are needed in Polish subsidiaries (Figure 9).

**Figure 9.** Are the expatriates needed in Polish subsidiary?

![Bar chart showing 83% yes and 17% no]

Source: own research

In their opinions, Polish managers usually pointed to added value brought in by expats in the form of international experience and knowledge:
- “it is worth to know management strategies used in the corporation (*business experience diversity*)”
- “they have experience in work in various countries – sometimes they are our instructors and trainers (*effective experience*)”
- “they facilitate global thinking and implementation of simple processes used all over the world”
- “they allow us to share experiences between company’s subsidiaries in the whole world”
- “as they have a network of personal contacts, they make it easier for us to enter international market”

Similar positive opinions on expats were expressed by Polish managers in the study by M. Rozkwitalska [2011, p.173].

According to A. Maciejewski⁶, “*expats are necessary in Polish subsidiaries as*

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⁶ Andrzej Maciejewski’s opinion expressed during a telephone interview. A. Maciejewski is a managing director of the Polish subsidiary of international consulting company – Spencer
there are still many areas of competence where we lack suitable groups of managers”.

The above mentioned studies show a dual perception of managerial qualifications of Polish management staff. On the one hand, they blame foreigners for their lack of trust in their competences as local staff. On the other hand, however, Poles admit that expats are desired in Polish subsidiaries because of their experience, knowledge and cultural awareness, which actually proves low self-esteem of Polish managers with regard to their own qualifications and competitiveness on international labour market.

Conclusions

- The issue of mobility understood as qualification requirement is a challenge to today’s companies entering international market.
- The willingness to take up work abroad by Polish managers depends on a host of external factors (social, cultural and economic), as well as internal factors, related to individual motives and needs of managers.
- Polish managers exhibit mobility on international (European) level, but it is mainly driven by pull factors in the form of Polish foreign investments in various countries, to which managers are delegated.
- Taking managerial positions in foreign companies by Poles is apparent, but not yet common.
- We can see a limited trust of foreign investors and managers in qualifications and experience of Polish staff. The reason could be that market economy has a short history in our country and rich experience in management is therefore limited. Another reason is that Poland has a rather poor image in the world and Poles are perceived as workers. The main conclusion drawn from the existing studies on the image of Poland [Ageron Polska, 2011, pp.24-41] is the lack of a clear and coherent image of Poland abroad. And although our country’s image has been gradually improving and perceived not only in the light of negative associations since Poland’s accession to the EU, Poland and Polish economy are perceived in a neutral way and on some markets, image and reputation of Poland are negative. Poland is perceived by most of the world as an Eastern country (except our Eastern neighbours, for whom we are a more “Western” country) with relatively high position in the region of Central and Eastern Europe. In a general ranking from 2009, Poland was in the 27th place – between India (26) and Mexico (28) in comparison with 30th place in 2008.

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