



DE GRUYTER  
OPEN

Journal of Intercultural Management

Vol. 9 | No. 3 | September 2017 | pp. 119–143

DOI 10.1515/joim-2017-0016

### **Marzena Stor**

Wrocław University of Economics, Poland  
marzena.stor@wp.pl

### **Allen D. Engle**

Eastern Kentucky University, Richmond,  
USA  
allen.engele@eku.edu

### **József Poór**

J. Selye University, Slovakia  
poorj@ujs.sk

Juxtaposition of Organizational  
Competitive Factors and  
Performance Evaluation  
in Conjunction with Their  
Implications for HRM in MNCs:  
Part Two, Statistical Correlation  
Analysis within the Polish  
Findings

**Abstract:** Objective – The main goal of the paper is to determine whether there are any identifiable patterns of HRM perceptions and practices when the factors recognized as the companies' competitive advantages and results of their performance outcomes are juxtaposed in conjunction with their implications for HRM.

Methodology – The research was conducted in five Central and Eastern (CE) countries. The data collected from this region is used to provide a broader comparative context (descriptive statistics) as presented in the earlier article in this volume. This second part provides a more detail correlational analyses conducted on the data coming exclusively from local subsidiaries of MNCs operating in Poland.

Findings - In Poland the higher the appraisal of the quality of workforce and the quality of management as the competitive factors at the same time, the higher the level of decentralization. The correlation analysis in the scope of particular areas of performance evaluation and the ratings of critical subfunctions of HR in Poland allow to identify some general patterns.

Value added – The research has certain theoretical significance because its results provide some knowledge about the specificity of HRM in local subsidiaries of MNCs operating CE, and particularly exemplifying some regularities within HRM appearing in Poland. Furthermore, it identifies some patterns of HRM perceptions and practices at the local level of MNCs both in CE and Poland, and especially when the factors recognized as competitive advantages of local subsidiaries and the results of performance evaluations of these subsidiaries are reported in conjunction with their implications for HRM. All this makes an empirical contribution to knowledge about SIHRM in MNCs.

**Key words:** human resources management; competitive advantage; business strategy; multi-nationals; Central Europe; HR patterns of practice – national and regional

## 1. Concise Introduction

This paper is the continuation and a more precise delineation of the relationship between strategic intent and the context of MNC subsidiary operations in Poland and the pattern of practices of performance management outcomes within the Polish subsidiaries. The main goal of the paper is to fill in some research gap that has been found in the management literature. Namely, the literature review leads to the conclusion that although much research on HRM was conducted in multinational companies (MNCs) and their local subsidiaries in different countries, the contemporary characteristics of HRM as well as their potential regularities in MNCs operating in Central Europe

are not well documented (e.g.: Nikandrou et al., 2005; Melnikas et al., 2006; Brewster et al., 2007; Hyder and Abraha, 2008; Karoliny et al., 2009; Listwan et al., 2009; Morley et al., 2009; Brewster et al., 2010; Sahadev and Demirbag, 2010; Kshetri, 2010; Stavrou et al., 2010; Brewster et al., 2010; Mayrhofer et al., 2011; Festing and Sahakiants, 2013; Stor and Kupczyk, 2015; Chen, 2016; Stor, 2016; Koster and Wittek, 2016; Poór et al., 2017; Cooke et al., 2017; Stahl et al., 2017; Brunet-Thornton, 2017; Wilkinson and Wood, 2017). In this context we do not know if there are any identifiable patterns of HRM perceptions and practices when the factors recognized as competitive advantages of companies and the results of the companies' performance evaluations are juxtaposed in conjunction with their implications for HRM. Hence, to fill in this research gap the authors make an attempt at identifying those patterns. For that reason, some intentionally selected problems are in the focus of interested in the empirical research. This second article in our two-part series provides an in-depth analysis (correlation statistics) of the data coming from local subsidiaries of MNCs companies operating within Poland.

Because the research is placed in the strategic international human resource management (SIHRM) research track of HRM in MNCs and on the overlap of the universalistic and contingency perspectives the article is structured as follows. The first part of our two articles consisted of a brief literature review to provide some theoretical background and explanation for the empirical study. It covered two basic research tracks of HRM in MNCs, three theoretical and research streams in international human resources management (IHRM) (e.g.: De Cieri et al., 2003; Briscoe et al., 2008; Harzing, 2010; Brewster et al. 2011; Poczowski, 2012; Schroeder, 2010; Poczowski, 2015; Tarique et al., 2016; Perkins, Shortland, 2006; Brewster et al., 2011; Stor, 2011), four scientific perspectives on strategic human resources management (SHRM) (e.g.: Jackson et al., 1989; Brewster, 1995; Delery, Doty, 1996; Clegg et al., 1999, Alcázar et al., 2003, p. 1; Koen, 2005, pp. 5–15; Stor, 2011, p. 90; Stor, 2014), and four approaches to the measurable role of HRM in the company's success (e.g.: Beer et al., 1984, 2009; Schuler and Jackson,

1987; Wright et al., 1994; Arthur, 1994; Huselid, 1995; MacDuffie, 1995; Pfeffer, 1998; Guest et al., 2000; Huselid and Barnes, 2003; Ferguson and Reio, 2010; Huselid and Becker, 2011; Juchnowicz, 2010; 2014; Stor, 2011; Boudreau and Cascio, 2013; Sparrow et al., 2016; Singh et al., 2017). The literature review is of a descriptive character and ends in formulating the research gap on HRM in MNCs in Central Europe. In the section about the research methodics the authors provide the general outline of the international research project, describe the research sample, explain the assumptions, measures and statistical analytics applied in the study, and present the main research problem and questions. The section devoted to the empirical research consists of an in depth analysis of emerging patterns of HRM practices and attendant strategic and competitive strategic intent of MNCs operating in Poland. The article ends with the research summary and final conclusions.

## 2. The General Outline of the International Research Project

The research findings presented in this article make a part of some bigger international research project performed by the CEEIRT. CEEIRT is an abbreviation that stands for the Central and Eastern European International Research Team – a team that was set up on the turn of 2008 and 2009 to study HRM in MNCs in the region of Central and Eastern Europe, covering 14 CEE universities and two cooperative advisors from Great Britain and the United States.

The general title of that international research project is HRM in Transition Practices of MNC-Subsidiaries in Central & Eastern Europe and its main goal is to identify the trends and tendencies within HRM in MNCs in this geographic region. So far three series of studies have been conducted by the CEEIRT in the following years: 2010, 2013 and 2016. In each of these years the respondents from MNCs were asked about their companies' HRM practices in a previous year in the context of the worldwide economic standing, business strategies, business performance etc.

### 3. Statistical data analysis

The second subsection is devoted to some more detail analysis conducted on the data coming exclusively from the local subsidiaries of MNCs companies located in Poland. All calculations here were performed using IBM SPSS v. 22 software (SPSS Inc., Chicago, Ill., USA) with the level of significance set to  $\alpha = .05$ . Kolmogorov-Smirnow test was performed to determine the normality of data distribution. Its significant results indicated that data was not normally distributed, hence non-parametric statistics were employed. In order to examine group differences between the general business strategies (growth vs stability vs retrenchment) Chi-square tests were performed whereas in case of scale variables Kruskal-Wallis test was applied. Further, the relationships between the variables were examined by the means of Spearman's rho correlations. To determine whether there are any observable patterns of the juxtaposition of the factors recognized as competitive advantages of companies and the results of the companies' performance evaluations Kendall's tau coefficient was interpreted.

### 4. The emerging patterns of HRM implications in local subsidiaries of MNCs in Poland

Having positioned Polish HR practices in general in comparison to four other regional neighbors, we now focus particularly on Polish HR practices with a primary emphasis on performance management practices, their correlates and antecedents.

The population that comprised this section of our report was comprised of 102 subsidiaries of MNCs operating in Poland. The companies were of different size and business profiles according to the European Classification of Business Activity. The research was conducted with the aid of paper and electronic survey questionnaires. This more detailed analysis was conducted on the data coming from these local subsidiaries of MNCs located in Poland.

## Between-group differences

As said before, the analysis of between-groups differences was conducted in the research. The results are as follows:

- Business strategies vs competitive factors. We found a significant difference between the type of business strategy applied by the subsidiary and optimal size of company considered as a competitive factor,  $\chi^2(2)=13.1$ ,  $p=.001$ , suggesting that company size was not considered a competitive factor among companies that reported retrenchment strategies; while it was the case in 70% of companies that followed stability strategy and in 47.2% of companies that declared growth strategy.
- Business strategies vs performance evaluation. We found that the business strategies had a significant effect on the performance of the organization in the field of profitability,  $H_2=10.1$ ,  $p=.007$  with post-hoc comparisons showing that the only significant difference was between organizations that reported growth ( $M_{\text{rank}}=56.6$ ) and those reporting retrenchment ( $M_{\text{rank}}=29.5$ ,  $p=.004$ ), wherein comparisons of both of these strategies with stability ( $M_{\text{rank}}=44.1$ ) were not significant ( $p>.05$ ). No differences were found in terms of remaining dimensions of profitability; neither for the overall performance (mean value for ratings of four dimensions).
- Business strategies vs the role of the HQ. Insignificant result of Kendall tau-b correlation ( $p>.05$ ) suggests that the business strategies and the role of HR played by corporate HQ were independent from each other (no relationship).
- Business strategies vs responsibility of decisions within HRM. Kruskal-Wallis test for differences between the organization with different strategies revealed no significant differences with regard to the attribution of the responsibility within the HRM key functions ( $ps>.05$ ).
- Business strategies vs critical subfunctions of HRM. Kruskal-Wallis test for differences between the organization applying different business strategies revealed a significant differences with regard to the following critical human resources issues:

- Communication  $H_2=6.1$ ,  $p=.006$  with post-hoc tests indicating a significant difference in the rating of the importance of communication between organizations that reported stability as their business strategy ( $M_{\text{rank}}=66.45$ ) and those which declared growth strategy ( $M_{\text{rank}}=46.7$ ,  $p=.005$ ). Differences between these two categories of organizations and organizations that declared retrenchment strategy ( $M_{\text{rank}}=63.7$ ) were not significant ( $p>.76$ ).
- Talent management  $H_2=6.1$ ,  $p=.048$  with pairwise comparisons suggesting that organizations that based their strategy on retrenchment rated talent management as a significantly more important issue to be faced by HR ( $M_{\text{rank}}=63.7$ ), as compared to organizations that reported stability strategy ( $M_{\text{rank}}=41.5$ ,  $p<.05$ ). The differences between these two types of organizational strategies and the strategy of growth ( $M_{\text{rank}}=46.7$ ) were insignificant ( $p>.05$ ).
- Business strategies vs the key competencies of HR manager. The following differences in ratings of the importance of the following HR manager key competences were found:
  - Business knowledge –  $H_2=7.8$ ,  $p=.02$ ; significant difference was found between organizations that reported growth strategy ( $M_{\text{rank}}=54.5$ ) and organizations that reported retrenchment strategy ( $M_{\text{rank}}=28.4$ ,  $p=.015$ ). Differences between these two types of organizations and the type of organizations with stability strategy ( $M_{\text{rank}}=52.2$ ) were not significant ( $p>.05$ ).
  - Strategic contribution -  $H_2=9.8$ ,  $p=.008$ ; significant difference was found between organizations that reported growth strategy ( $M_{\text{rank}}=56.6$ ) and organizations that reported stability strategy ( $M_{\text{rank}}=34.6$ ,  $p=.006$ ). Differences between these two types of organizations and the type of organizations with retrenchment strategy ( $M_{\text{rank}}=48.5$ ) were not significant ( $p>.05$ ).
  - HR services -  $H_2=14.4$ ,  $p=.001$ ; significant difference was found between organizations that reported growth strategy ( $M_{\text{rank}}=54.5$ )

and organizations that reported retrenchment strategy ( $M_{\text{rank}}=28.4$ ,  $p<.001$ ). Differences between these two types of organizations with organizations with stability strategy ( $M_{\text{rank}}=52.2$ ) turned out to be insignificant ( $p>.05$ ).

- Business strategies vs directions of knowledge flows. No differences between organizations of the three types of strategies and their ratings of the importance of the knowledge flows were identified ( $p>.05$ ).

### Correlational analyses

In addition to the between-group analyses some correlational analyses were conducted as well. And here are their results:

Performance correlations. Performance ratings were generally correlated (see Table 1), except for the relationship between profitability and environmental issues ( $p=.14$ ).

**Table 1. The results of correlation test for performance evaluation**

			Profita- bility	Quality of ser- vices	Innova- tion rate	Environ- mental issues	
Spearman's rho	Profitability	Correlation coef- ficient					
		Sig. (2-tailed)					
	Quality of services	Correlation coef- ficient	,282**				
		Sig. (2-tailed)	,004				
	Innovation rate	Correlation coef- ficient	,410**	,515**			
		Sig. (2-tailed)	,000	,000			
	Environmental issues	Correlation coef- ficient	,147	,291**	,370**		
		Sig. (2-tailed)	,141	,003	,000		
	OVERALL PERFOR- MANCE	Correlation coef- ficient	,664**	,669**	,844**	,613**	
		Sig. (2-tailed)	,000	,000	,000	,000	
	** Correlation is significant at the 0.01 level (2-tailed).						
	N = 102						

Source: own research data.



Performance correlations with critical subfunctions of HRM. HR planning was moderately, negatively correlated with performance in profitability ( $r_s = -.25, p = .012$ ); performance in innovation ( $r_s = -.38, p < .001$ ) and overall ratings of performance ( $r_s = -.33, p = .001$ ). Training and development was moderately, positively correlated with performance in quality of service ( $r_s = .31, p = .002$ ), innovation ( $r_s = .21, p = .04$ ) and overall performance ( $r_s = .25, p = .012$ ). Talent management was moderately, positively correlated with performance in environmental issues ( $r_s = .24, p = .014$ ). Compensation & benefits was moderately, positively correlated with performance in quality of service ( $r_s = .28, p = .005$ ), and overall performance ( $r_s = .24, p = .02$ ). Communication was moderately, positively correlated with performance in quality of services ( $r_s = .21, p = .032$ ). HRIS was moderately, negatively correlated with performance in quality of services ( $r_s = -.20, p = .043$ ) and performance in environmental matters ( $r_s = -.22, p = .026$ ). The correlations are presented in Table 2.

**Table 2. The results of correlation test for performance evaluation & critical subfunctions of HRM**

Performance areas HRM subfunctions			Profita- bility	Quality of ser- vices	Inno- vation rate	Envi- ron- mental issues	OVER- ALL PER- FOR- MANCE
Spearman's rho	HR plan- ning	Correlation coefficient	-,248*	-,116	-,377**	-,111	-,327**
		Sig. (2-tailed)	,012	,244	,000	,266	,001
	Recruit- ment	Correlation coefficient	-,052	-,186	-,132	-,154	-,132
		Sig. (2-tailed)	,604	,061	,184	,121	,184
	Selection	Correlation coefficient	-,100	-,130	-,143	-,028	-,135
		Sig. (2-tailed)	,316	,194	,150	,784	,175
	Perfor- mance appraisal	Correlation coefficient	,187	,068	,063	,074	,119
		Sig. (2-tailed)	,059	,496	,528	,459	,235
	Training & devel- opment	Correlation coefficient	,132	,307**	,207*	,166	,248*
		Sig. (2-tailed)	,186	,002	,037	,095	,012
	Talent manage- ment	Correlation coefficient	,026	-,154	,156	,243*	,112
		Sig. (2-tailed)	,798	,122	,117	,014	,261
	Compen- sation & benefits	Correlation coefficient	,057	,277**	,183	,188	,236*
		Sig. (2-tailed)	,572	,005	,066	,058	,017
	Industrial labor relations	Correlation coefficient	-,049	-,044	-,143	-,181	-,152
		Sig. (2-tailed)	,625	,661	,150	,069	,126
	Em- ployee commu- nication	Correlation coefficient	,162	,213*	,148	,037	,182
		Sig. (2-tailed)	,104	,032	,137	,709	,067
	HRIS	Correlation coefficient	,076	-,201*	-,096	-,221*	-,156
		Sig. (2-tailed)	,446	,043	,336	,026	,117
Health & safety issues	Correlation coefficient	-,033	,085	,186	-,034	,090	
	Sig. (2-tailed)	,740	,396	,062	,731	,368	
** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed). N=102							

Source: own research data.

Performance correlations with the ratings of key competencies of HR manager. Business knowledge was moderately and positively correlated with performance in profitability ( $r_s = .26, p = .01$ ). Strategic contribution was moderately and positively correlated with performance in environmental matters ( $r_s = .29, p = .003$ ). Personal credibility was moderately and positively correlated with performance in innovation ( $r_s = .26, p = .008$ ) and overall ( $r_s = .23, p = .02$ ) performance. Usage of HRIS was moderately and positively correlated with performance in environmental issues ( $r_s = .22, p = .03$ ) and overall performance ( $r_s = .21, p = .04$ ). Foreign languages skills was moderately and negatively correlated with performance in profitability ( $r_s = -.20, p = .04$ ). The identified correlations are shown in Table 3.

**Table 3. The results of correlation test for performance evaluation & key competences of HRM manager**

Performance areas Competencies of HRM manager			Profita- bility	Quality of ser- vices	Inno- vation rate	Environ- mental issues	OVER- ALL PERFOR- MANCE	
Spearman's rho	Business knowledge	Correlation coefficient	,255**	-,039	,188	,023	,169	
		Sig. (2-tailed)	,010	,696	,058	,816	,090	
	Strategic contribution	Correlation coefficient	-,019	-,018	,104	,291**	,140	
		Sig. (2-tailed)	,847	,855	,299	,003	,160	
	Personal credibility	Correlation coefficient	,103	,159	,261**	,123	,228*	
		Sig. (2-tailed)	,302	,111	,008	,219	,021	
	HR services	Correlation coefficient	,093	,058	,051	,078	,075	
		Sig. (2-tailed)	,352	,564	,608	,436	,452	
	Use of HRIS (IT)	Correlation coefficient	,158	,194	,089	,216*	,205*	
		Sig. (2-tailed)	,112	,050	,372	,029	,039	
	Foreign lan- guages	Correlation coefficient	-,200*	,048	,116	,151	,083	
		Sig. (2-tailed)	,044	,631	,247	,129	,409	
	** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed). N=102							

Source: own research data.

Performance correlations with the ratings of the knowledge flows. Knowledge flows from the subsidiary to the parent company was positively and moderately correlated with performance in quality of service ( $r_s = .25$ ,  $p = .012$ ). Knowledge flows within subsidiary was positively and moderately correlated with performance in service quality ( $r_s = .23$ ,  $p = .019$ ) and overall performance ( $r_s = .21$ ,  $p = .032$ ). These correlations are shown in Table 4.

**Table 4. The results of correlation test for performance evaluation & knowledge flows**

Performance areas Directions of knowledge flows			Profita- bility	Quality of ser- vices	Inno- vation rate	Envi- ron- mental issues	OVERALL PERFOR- MANCE	
Spearman's rho	Knowledge flows form the HQ	Correlation coefficient	,053	,052	,003	,011	,045	
		Sig. (2-tailed)	,597	,600	,977	,914	,650	
	Knowledge flows to the HQ	Correlation coefficient	,097	,248*	,058	-,139	,096	
		Sig. (2-tailed)	,333	,012	,566	,163	,337	
	Knowledge flows between subsidiaries	Correlation coefficient	,152	,091	,151	-,035	,139	
		Sig. (2-tailed)	,127	,361	,130	,726	,164	
	Knowledge flows the local HR department	Correlation coefficient	,006	,016	,060	,022	,057	
		Sig. (2-tailed)	,953	,871	,547	,830	,573	
	Knowledge flows within subsidiary	Correlation coefficient	,179	,232*	,091	,085	,212*	
		Sig. (2-tailed)	,072	,019	,364	,398	,032	
	** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed). N=102							

**Source: own research data.**

Performance correlations with competitive factors. After applying the Kendall's tau test some patterns were observed for the following relationships between (see Table 5): optimal size of company and performance in profitability ( $r_{\tau} = .20, p = .03$ ), financial resources and performance in profitability ( $r_{\tau} = .19, p = .04$ ) and performance in service quality ( $r_{\tau} = .19, p = .05$ ), production technology and performance in service quality ( $r_{\tau} = .27, p = .004$ ), performance in innovation ( $r_{\tau} = .38, p < .001$ ), environmental issues ( $r_{\tau} = .29, p = .002$ ), and overall performance ( $r_{\tau} = .32, p < .001$ ).

**Table 5. The results of correlation test for performance evaluation & competitive factors**

Performance areas		Profita- bility	Quality of ser- vices	Innova- tion rate	Environ- mental issues	OVERALL PERFOR- MANCE	
Competitive factors							
Kendall tau-B	Optimal size of company	Correlation coefficient	,198*	-,023	,035	,003	,084
		Sig. (2-tailed)	,033	,808	,705	,977	,331
	Quality of workforce	Correlation coefficient	,025	,143	,055	,104	,109
		Sig. (2-tailed)	,788	,130	,557	,268	,208
	Financial resources	Correlation coefficient	,191*	,185*	,086	-,063	,118
		Sig. (2-tailed)	,039	,050	,353	,502	,171
	Quality of manage- ment	Correlation coefficient	,007	-,111	,027	-,038	-,023
		Sig. (2-tailed)	,942	,237	,775	,683	,792
	Production technology	Correlation coefficient	,076	,271**	,382**	,292**	,323**
		Sig. (2-tailed)	,410	,004	,000	,002	,000
	Labor cost	Correlation coefficient	,078	-,085	-,005	,074	,057
		Sig. (2-tailed)	,398	,366	,960	,428	,506
	** Correlation is significant at the 0.01 level (2-tailed).						
	* Correlation is significant at the 0.05 level (2-tailed).						
N=102							

Source: own research data.

## 5. Research Summary

To address the research problem posed in the paper it is necessary to determine what patterns of HRM perceptions and practices coexist with the factors recognized as competitive advantages of companies and with the performance self-evaluation results of these companies. Hence, referring to the accompanying research questions of more detail character seems to be useful.

The distribution of the business strategies in the CE and Polish samples is very similar: the overwhelming majority of local subsidiaries of MNCs apply

growth strategies (approx. 70 %) and about one fourth of them stability strategies. In both samples most of the organizations assume that the quality of workforce makes their competitive advantage (approx.70%). But at the same time the quality of management seems to be a little more important in CE (approx. 50%) than in Poland (approx. 40%) and optimal size of company more important in Poland (49%) than in CE (44%). As about the average values of performance evaluations they gain slightly better score in all performance areas (profitability, quality of services, innovation rate, and environmental issues) in Poland than in CE. The between-group analysis over the Polish sample reveals that the business strategies had a significant effect on the performance of the organization in the field of profitability.

In the CE region the most important flow runs from the HQ to the local subsidiary, while in Poland the most important information flows run within the subsidiary. The correlation analyses suggest that in Poland neither the centralization-decentralization patterns in relations between the HQ and local subsidiary nor the centralization-decentralization patterns in relations between the local HRM department and local management dependent on business strategies. But some patterns emerge in the range of performance evaluation and directions of knowledge flows, namely:

- the higher the rank of service quality the higher the rank of knowledge flows to the HQ and within subsidiary,
- and the higher the rank of overall performance the higher the rank of knowledge flows within subsidiary.

In the context of business strategies and performance results both in the CE and Polish samples the ranking orders of the average values of critical HRM subfunctions are the same and only some smaller differences are in the values of the ranks themselves. Interestingly, in Poland itself employee communication is particularly important in companies realizing stability strategies and talent management in companies applying retrenchment strategies. The last pattern of behavior may look surprising. But when we consider that employment redundancy as one of retrenchment policies

then it becomes obvious that for companies following this policy it would be difficult to retain or attract talents to the organization.

The correlation analysis in the scope of particular areas of performance evaluation and the ratings of critical subfunctions of HR in Poland allow to identify some general patterns, such as:

- The higher the rate of:
  - training & development the higher the rate of quality of survives, innovation rate, and overall performance.
  - talent management the higher the rate of environmental issues.
  - compensation & benefits the higher the rate of quality of services.
  - employee communication the higher the rate of quality of services.
  - HRIS the higher the rate of quality of services and environmental issues.
- The lower the rate of HR planning the lower the rate of profitability, innovation and overall performance.

Both in CE and Poland it is not only personal credibility but competencies connected with HR services in general that are ranked the highest as key competencies of HR manager for success. Anyway, in Poland the respondents' experience suggests that business knowledge is another competency that is strongly associated with success, whereas in CE the respondents value strategic contribution more. But more detail statistical analysis of the Polish sample leads to the conclusion that business knowledge, strategic contribution, and HR services are prevailing competencies with comparable rank in the subsidiaries applying growth strategies. Moreover, with connection to performance evaluation the following patterns appear:

- The higher the rate of:
  - business knowledge the higher the rate of profitability.
  - strategic contribution the higher the rate of environmental issues.
  - personal credibility the higher the rate of innovation and overall performance.



- use of HRIS the higher the rate of environmental issues and overall performance.
- The lower the rate of communication in foreign languages the lower the rate of profitability.

The last identified patterns refer to performance evaluation and competitive factors. The correlation analysis results in no significant correlations between two of competitive factors, i.e. quality of workforce and quality of management, and none of the areas of performance.

## 6. Final Conclusions

These two research articles have both theoretical as well as practical significance because the combined results provide some knowledge about the specificity of HRM in local subsidiaries of MNCs operating CE, and particularly exemplifying some regularities within HRM appearing within Poland. Subsidiary differences within the region and for subsidiary firms operating within Poland are systematically compared for factors related to strategic intent and HRM activities and the relationship between the MNC headquarters and the subsidiary specific to HR subfunctions. Furthermore, it identifies some patterns of HRM perceptions and practices at the local level of MNCs both in Central Europe and Poland, and especially when the factors recognized as competitive advantages of local subsidiaries and the results of performance evaluations of these subsidiaries are juxtaposed in conjunction with their implications for HRM. All this makes a definite contribution to knowledge about SIHRM in MNCs. As for the practical significance of the research results, this report represents an attempt to identify some similarities and differences between local subsidiaries of MNCs located in CE and Poland that may have an impact on managerial interpretation on what HRM practices should be considered as effective and which as possibly ineffective because of the local employees' perceptions and expectations. But those differences should be approached very carefully since the number of companies from each country was rather small and all in all does not comprise a representative sample. What is more, expanding the formulated conclusions on the whole population of local subsidiaries

of MNCs operating in CE or exclusively in Poland wouldn't be justified because of the selection, structure and size of the research sample. The primary limitations of this study are mostly connected with the last feature characterizing both research samples. Hence, some further research on much bigger and comparable samples is necessary.

Certain imperfections are also visible in the scope of measurement scales that were applied, adopted terminology or identification of particular issues in the countries under study. Despite all these deficiencies mentioned above the conducted research has some cognitive value, especially that this field of knowledge and practice has been poorly recognized so far and this was confirmed in the literature review – briefly discussed at the beginning of this paper. That's why the research findings and formulated conclusions can make a linchpin for the future research. They can serve as a starting point to determine the directions of the future research. But they may also support MNCs in their HRM improvement and development.

A final (inevitable) conclusion is that we need more research on the business practices of MNCs in Central Europe in the scope of HRM. The significance of this issue will increase in the future in the context of high internalization of companies and their human resources as well as global dimension of economy. Therefore, future theoretical and empirical exploration in this scope is indispensable. It would facilitate monitoring the situation, formulating the views and improving the research methodologies. Additionally, it would broaden our knowledge and help to create new theories and practical recommendations for strategic international human resources management in MNC.

## Bibliography

**Alcázar, F.M., Fernández, P.M.R. and Gardey, G.S.** (2003) Past, Present and Future State of the Art in the Field of Strategic Human Resource Management: An Empirical Analysis, in *IHRM: Exploring the Mosaic, Developing the Discipline. Full Papers of the 7<sup>th</sup> Conference on International Human Resource Management*, Limerick, Ireland: Interresource Group Ltd. Publishing.

**Arthur, J.B.** (1994) Effects of human resource systems on manufacturing performance and turnover. *Academy of Management Journal*, no 37, iss. 3.

**Beer, M., Spector, B., Lawrence, P.R., Quinn Mills, D. and Walton, R.E.** (1984) *Managing Human Assets*, New York: The Free Press.

**Boudreau, J. and Cascio, W.F.** (2013) *Inwestowanie w ludzi: Wpływ inicjatyw z zakresu ZZL na wyniki finansowe przedsiębiorstwa*, Wolters Kluwer, Warszawa.

**Brewster, C., Sparrow, P., Vernon, G. and Houldsworth, E.** (2011) *International Human Resource Management*, London: Chartered Institute of Personnel and Development.

**Brewster, C.** (2007) European perspective on HRM. *European Journal of International Management*, vol. 1, no 3.

**Brewster, C.** (1995) Towards a 'European' Model of Human Resource Management. *Journal of International Business Studies*, London: First Quarter.

**Brewster, C., Morley, M. and Bučiūnienė, I.** (2010) The reality of human resource management in Central and Eastern Europe: A special issue to mark the 20th anniversary of Cranet (the Cranfield Network on Comparative Human Resource Management). *Baltic Journal of Management*, vol. 5, iss. 2, pp. 145–155.

**Briscoe, D.R., Schuler, R.S. and Claus, L.** (2008) *International Human Resource Management*, London and New York: Routledge.

**Brunet-Thornton, R.** (2017) Foreword to the special edition, the return to Europe: a generation of re-inventing national identities. *Baltic Journal of Management*, vol. 12, iss. 1, pp. 2–5.

**Chen, M.J.** (2016) Competitive dynamics: Eastern roots, Western growth. *Cross Cultural & Strategic Management*, vol. 23, iss. 4.

**Clegg, S.R., Ibarra-Colado, E. and Bueno-Rodrigues, L.** (Eds.) (1999) *Global Management. Universal Theories and local Realities*, London: Sage Publications.

**Cooke, F.L., Veen, A. and Wood, G.** (2017) What do we know about cross-country comparative studies in HRM? A critical review of literature in the period of 2000–2014. *The International Journal of Human Resource Management*, vol. 28, no. 1.

**De Cieri, H., Hutchings, K. and Fenwick, M.** (2003) International Human Resource Management: Bridging the Pedagogy-Practice Gap, in *IHRM: Exploring the Mosaic, Developing the Discipline. Full Papers of the 7<sup>th</sup> Conference on International Human Resource Management*, Limerick, Ireland: Interresource Group Ltd. Publishing.

**Delery, J.E. and Doty, D.H.** (1996) Modes of Theorizing in Strategic Human Resource Management: Test of Universalistic, Contingency, and Configurational Performance Predictions. *The Academy of Management Journal*, vol. 39, no 4.

**Ferguson, K.L. and Reio, T.G.** (2010) Human resource management systems and firm performance. *Journal of Management Development*, vol. 29, iss. 5, pp. 471–494.

**Festing, M. and Sahakiants, I.** (2013) Path-dependent evolution of compensation systems in Central and Eastern Europe: A case study of multinational corporation

subsidiaries in the Czech Republic, Poland and Hungary. *European Management Journal*, vol. 31, iss. 4.

**Guest, D., Michie, J., Sheehan, M., Conway, N and Metochi, M.** (2000) *Effective People Management: Initial findings of the Future of Work study*, London: CIPD.

**Harzing, A. and Van Ruysseveldt, J.** (Eds.) (2010) *International Human Resource Management*, London: SAGE Publications Ltd.

**Huselid M.A. and Barnes, J.E.** (2003) Human capital measurement systems as a source of competitive advantage, Working paper, Harvard Business School, Boston.

**Huselid M.A. and Becker, B.E.** (2011) Bridging micro and macro domains: Workforce differentiation and strategic human resources management. *Journal of Management*, vol. 37, no 2.

**Huselid, M.** (1995) The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of Management Journal*, no 38, iss. 3.

**Hyder, A.S. and Abraha, D.** (2008) Institutional factors and strategic alliances in Eastern and central Europe. *Baltic Journal of Management*, vol. 3, iss. 3, pp. 289–308.

**Jackson, S.E., Schuler, R.S. and Riverso, J.C.** (1989) Organizational Characteristics as Predictors of Personnel Practices. *Personnel Psychology*, vol. 42.

**Juchnowicz, M.** (2010) *Zarządzanie przez zaangażowanie*, Warszawa: PWE.

**Juchnowicz, M.** (2014) *Satysfakcja zawodowa pracowników – kreator kapitału ludzkiego*, Warszawa: PWN.

**Karoliny, Z., Farkas, F. and Poor, J.** (2009) In focus: Hungarian and Central Eastern European Characteristics of human resource management – An international comparative survey. *Journal for East European Management Studies*, vol. 14, no 1.

**Koen, C.I.** (2005) *Comparative International Management*, London, Boston: The McGraw-Hill Companies.

**Koster, F. and Wittek, R.** (2016) Competition and constraint: Economic globalization and human resource practices in 23 European countries. *Employee Relations*, vol. 38, iss. 2, pp. 286–303.

**Kshetri, N.** (2010) Business perceptions of regulative institutions in Central and Eastern Europe. *Baltic Journal of Management*, vol. 5, iss. 3, pp. 356–377.

**Listwan, T., Poczowski, A. and Stor, M.** (2009) Human Resources Management in Poland, in Morley, M.J., Heraty, N., Michailova, S. (Eds.), *Human Resources Management in Eastern and Central Europe*, London, New York: Routledge.

**MacDuffie, J.P.** (1995) Human resource bundles and manufacturing performance: organizational logic and flexible production systems in the world auto industry. *Industrial and Labor Relations Review*, no 48, iss. 2.

**Mayrhofer, W., Brewster, C., Morley, M.J. and Ledolter, J.** (2011) Hearing a different drummer? Convergence of human resource management in Europe — a longitudinal analysis. *Human Resource Management Review*, vol. 21, no 1.

**Melnikas, B., Baršauskas, P. and Kvainauskaitė, V.** (2006) Transition processes and integral cultural space development in Central and Eastern Europe: main problems and priorities. *Baltic Journal of Management*, vol. 1, iss. 2, pp. 201–212.

**Morley, M.J., Heraty, N. and Michailova, S.** (Eds.) (2009) *Human Resources Manage-*

*ment in Eastern and Central Europe*, London, New York: Routledge.

**Nikandrou, I., Apospori, E. and Papalexandris, N.** (2005) Changes in HRM in Europe: A longitudinal comparative study among 18 European countries. *Journal of European Industrial Training*, vol. 29.

**Perkins, S.J. and Shortland, S.M.** (2006) *Strategic International Human Resource Management: Choices and Consequences in Multinational People Management*, London: Kogan Page Publisher.

**Pfeffer, J.** (1998) *The Human Equation: Building Profits by Putting People First*, Boston, MA: Harvard Business School Press.

**Pocztowski, A.** (Ed.) (2012) *Zarządzanie misjami zagranicznymi. Organizacyjne i indywidualne aspekty pracy ekspatriantów*, Warszawa: Oficyna a Wolters Kluwer business.

**Pocztowski, A.** (Ed) (2015) *Zarządzanie zasobami ludzkimi na rynkach międzynarodowych*, Warszawa: Wolters Kluwer Polska.

**Poór, J., Engle, A. and Brewster, C.** (Ed.) (2017), *HRM in transition-practices of MNC-sub-sidiaries in Central and Eastern Europe, Russia and Kazakhstan (2015–2016)*, Selye University, Komárno.

**Sahadev, S. and Demirbag, M.** (2010) A comparative analysis of employment practices among post–communist and capitalist countries in South Eastern Europe. *Employee Relations*, vol. 32, iss. 3.

**Schroeder, J.** (2010) *Międzynarodowe zarządzanie zasobami ludzkimi*, Poznań: Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu.

**Schuler, R. and Jackson, S.** (1987) Linking competitive strategies with human resource

management practices. *Academy of Management Executive*, no 1, iss. 3.

**Singh, S., Darwish, T.K., Wood, G. and Mohamed, A.F.** (2017) Institutions, complementarity, human resource management and performance in a South-East Asian Petrostate: the case of Brunei. *The International Journal of Human Resource Management*, vol. 28, iss. 18.

**Sparrow, P., Shipton, H., Budhwar, P. and Brown, A.** (Eds.) (2016) *Human Resources Management, Innovation and Performance*, London: Palgrave Macmillan.

**Stahl, G.K., Miska, C., Lee, H.J. and De Luque, M.S.** (2017) The upside of cultural differences: Towards a more balanced treatment of culture in cross-cultural management research. *Cross Cultural & Strategic Management*, vol. 24, iss. 1.

**Stavrou, E., Brewster, C.J. and Charalambous, C.** (2010) Human resource management and firm performance in Europe through the lens of business systems: best fit, best practice or both?. *The International Journal of Human Resource Management*, vol. 21, no 7.

**Stor, M.** (2011) *Strategiczne międzynarodowe zarządzanie zasobami ludzkimi*, Wrocław: Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu.

**Stor, M.** (2014) Reconceptualizing Strategic International Human Resources Management in Pursuing Sustainable Competitive Advantage of MNCs. *Human Resource Management*, no 6 (10).

**Stor, M.** (2016) Paradoxical and nonparadoxical oxymora in strategies of competency management – research reflections. *Research paper of Wrocław University of Economics*, no 2(27).

**Stor, M. and Kupczyk, T.** (2015) Differences in competency management – compar-



ative analysis between Polish, Spanish, and Austrian business practices. *Journal of Intercultural Management*, vol. 7, no 2.

**Tarique, I., Briscoe, D.R. and Schuler, R.R.** (2016) *International Human Resource Management: Policies and Practices for Multinational Enterprises*, New York and London: Routledge, Taylor & Francis.

**Wilkinson, A. and Wood, G.** (2017) Global trends and crises, comparative capitalism and HRM. *The International Journal of Human Resource Management*, vol. 28, iss. 18.

**Wright, P., McMahan, G. and McWilliams, A.** (1994) Human resources and sustained competitive advantage: a resource-based perspective. *The International Journal of Human Resource Management*, vol. 5, no 2.

