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Content

Preface

The genesis of a compendium of studies is invariably a source of great satisfaction for the authors, as it constitutes a substantial piece of work prior to the conclusion of the scientific studies.

In this volume, we have collated articles by young authors who demonstrate exceptional proficiency in the domains of agricultural economics and management science.

The authors of these articles are a diverse group, including young academics, prospective academics, and managers currently pursuing doctoral studies, as well as our master's students. These students, while engaged in their academic studies, participate in workshops led by experienced mentors, where they receive guidance and support as they embark on their professional journeys.

The subjects and authors of these articles reflect the rich diversity that characterises our business education, a testament to the excellence and inclusivity of our academic community.

The subjects addressed include talent management, cultural intelligence, the receptiveness of the Hungarian labour market to international students, brand building, the presence of trust, the impact of digitalisation on HR, collective redundancy, and more.

These issues are of ongoing relevance in the social and economic landscape.
It is hoped that readers will find this volume a valuable source of information.

Gödöllő, 2025. January

Dr. habil. Attila Farkas PhD
editor

KATINKA BAJKAI-TÓTH – SENA USLU– ANDRÁS BARCZI

The Importance of Trust at Work based on Literature Review

Abstract: The present study is concerned with the concept of trust, which has been a central feature of human society for millennia. Despite the passage of time, the importance of trust has remained undiminished, continuing to exert a profound influence on individuals, businesses, and public institutions alike. Following an introduction to the topicality of the subject matter, the literature review addresses three principal themes. Initially, it considers the concept of trust in general, before turning to its role in business. Of interest is the fact that a number of studies have reached significant conclusions about the dearth of trust. Furthermore, the review elucidates the processes through which trust is established, the actors involved, and the combined impact on efficiency, productivity and work life. The objective is to reinforce the importance of trust in the corporate sphere, in the relationship between manager and employee, and in the commitment to the workplace. Moreover, the advent of information technology has rendered individuals increasingly susceptible to exploitation, underscoring the vital importance of trust in business.

Keywords: trust, trust building, business confidence

1 Introduction

A broad consensus exists within the social sciences that trust is a fundamental prerequisite for the functioning of modern societies. In late modernity, trust assumes a pivotal role in maintaining social order by ensuring the continued viability of social relationships (Barbalet, 2019). Absent a general trust in each other, society itself would disintegrate. Trust is a fundamental aspect of an effective team, as it fosters a sense of security and stability. When team members feel secure and supported by one another, they are more inclined to engage in open communication, take calculated risks, and acknowledge their vulnerabilities.

The increasing prevalence of horizontal structures has led to the recognition of trust as a crucial value in the operations of many companies. The necessity for constant collaboration and communication, as well as the delegation of tasks and responsibilities, inherent in this type of structure demands a high degree of trust between all parties. Conversely, companies frequently engage in collaborative endeavours with one another in order to maintain their competitive advantage. It is imperative that business alliance agreements are founded upon a robust foundation of trust, enabling effective collaboration (Guinot, 2021). Furthermore, evidence suggests that trust enhances individual and collective performance. Consequently, elevated levels of trust have been demonstrated to enhance worker performance, team functionality, and organisational performance (Guinot & Chiva, 2019).

It is only through the evolution of a culture and environment of trust that companies will be able to develop their full human potential and realise their possibilities of success. The formation of an effective team is a crucial element in the success of any administration. While a leader's vision and guidance are essential, the success of an organisation ultimately depends on the quality of its leadership team (Abgeller et al., 2024). A team lacking trust cannot be considered a true team; rather, it is merely a collection of individuals working together, often with disappointing results. In the absence of trust, individuals may be reluctant to share information, engage in conflict over rights and responsibilities, and cooperate with one another (Lewis, 1985). Regardless of an individual's capabilities or talents, the lack of trust may impede their ability to reach their full potential. Conversely, when trust is established, each member of the team becomes more effective because they are part of an effective and cohesive group. When individuals trust one another, the group can achieve meaningful goals (Luhmann, 2018).

In our study, we explore the concept of trust, its ways, its attachments to business and its forms.

2 Relevant Literatures

2.1 General Interpretation of Trust

It should be noted that the term "trust" is used in a number of different contexts. In the context of meeting an acquaintance, the phrase "I trust your family is well" is an expression of hope that the acquaintance's family is in good health. It seems reasonable to conclude that no further implications are implied (Dasgupta, 2000). Conversely, when one states that one trusts Feltman (2024) to say that one must save on trust, one is merely confirming one's expectations of the other's attitude. However, this usage does not possess the same degree of influence as the original term. The accuracy of one's assessment of Rudnák & Szabó (2019) may have no bearing on one's subsequent actions. The significance of trust lies in its capacity to exert a profound influence on our actions and capabilities in numerous instances. This specific categorisation is not contingent on any particularly noteworthy analytical considerations.

We are both capable of both selfish and altruistic actions, and on occasion, we act in accordance with what we perceive to be morally right, rather than what is personally beneficial. However, we frequently fail to do so (Brion et al., 2019). Furthermore, it is frequently the case that the mere act of placing one's trust in another individual gives rise to a sense of obligation, which in turn makes it more challenging to subsequently betray that trust (Fulmer & Gelfand, 2012).

Naturally, the issue of trust would not arise if we were all to exemplify unquestionably virtuous behaviour, consistently adhering to our stated intentions and actions in given circumstances. In other words, the issue of trust would not arise if we were all aware of our own trustworthiness (Davoudi et al., 2008). The question thus arises as to how trust can be fostered when individuals persist in deceiving those closest to them in various ways. Honesty is a crucial element in the formation and maintenance of a healthy relationship. It enables the avoidance of detrimental breaches of trust and facilitates the ability to live in accordance with reality, rather than in an imaginary world. Furthermore, it allows for the sharing of this reality with another individual. It is important to note that each individual possesses a unique perception of the world. However, through the sharing of these insights, a deeper understanding of each other's true selves can be achieved (Zenger & Folkman, 2019).

It is a commonplace observation that the establishment and maintenance of trust is a key objective in the context of communication and business negotiation. This is evident in the pursuit of trust in relationships characterised by friendship, family, and the workplace between workers. However, the concepts of trust and trustworthiness are not straightforward to define. The term 'trust' is defined by the Cambridge Dictionary (2019) as 'to believe that someone is good and honest and will not harm you, or that something is safe and reliable'. The process of 'trust building' is defined as 'the activity of developing trust between people so that they can work more effectively'.

The definition of trust is complex and challenging to articulate. As a concept, trust has a complex and multifaceted nature, originating from the individual and subsequently extending to encompass the external environment, other individuals, and so forth (Delhey & Newton, (2005). Additionally, trust is a quality that two individuals in a relationship can cultivate together when they elect to place their trust in one another. It is not possible to demand or prove trust; rather, it is a matter of making a conscious choice to trust another individual. It is of the utmost importance to be able to rely on another individual, as it is through trust that love is built (Xue & Zhai, 2009).

As Sasaki (2019) rightly observed, being trusted is a greater compliment than being loved. A study conducted by DePaulo et al. (2009) revealed that individuals engage in deceitful behavior in approximately one in five of their interactions.

These deceptions are not limited to interactions with strangers or peripheral figures; couples regularly engage in deceitful behavior. DePaulo's (2009) research demonstrated that dating couples lie to each other approximately one-third of the time, while married couples do so in about one-tenth of their interactions. While individuals appear to tell fewer minor or everyday lies to those they love, 64% of our most serious lies, which could be defined as "deep betrayals of trust," involve people in our closest relationships.

2.2 Business Interpretation of Trust

The establishment of trust is a fundamental aspect of any organisational structure. It is possible to cultivate trust through the implementation of appropriate activities (Brockner et al., 1997). A team can be constituted when individuals come together with the same ideas. Individual workers should be motivated to perform at the highest level possible and to achieve their own targets, as well as those of the organisation and the team. The establishment of trust within an organisational context serves to unite all members and facilitate the implementation of trust-based processes (Baquero, (2023).

The concept of trust has been the subject of study in a number of disciplines, including business, psychology and medicine. While perspectives on the concept differ, it can be defined in broad terms as a state involving confident positive expectations about another's motives with respect to oneself in situations entailing risk (Xu et al., 2023). The concept of trust can be applied to a number of different contexts, including relationships, business, marketing and the workplace. Furthermore, numerous illustrative examples exist which elucidate the processes of trust-building and its enhancement. There are numerous methods that may be employed to enhance trust. Lying is the primary factor that erodes trust (Firestone et al., 2002).

Trust is a reliance on the character, ability, strength, or truth of someone or something and a fundamental aspect of an effective team, as it fosters a sense of security and reliability (Mayer, 1995). When team members perceive a sense of safety within the group, they are more likely to feel at ease in disclosing information, taking appropriate risks, and revealing vulnerabilities. There is a consensus among researchers that trust has a beneficial effect on positive attitudes, cooperation, and performance in organisational settings (Parker et al, 2023; Rulinawati et al, 2024).

In their study, Galfrod & Drapeau (2013) identified three distinct types of trust. These may be classified as strategic, personal, and organisational trust. Strategic trust may be defined as the trust that employees place in those individuals occupying positions of authority within the organisation, with regard to their capacity to make the appropriate strategic decisions. Top managers are able to set an appropriate course, intelligently allocate resources, fulfil the mission and help the company succeed due to their vision and competence.

Personal trust is the trust employees have in their managers. These managers should treat their employees fairly and consider their needs when making decisions about the business, putting the company's needs ahead of their own (Çuhadar & Rudnák, 2022a,b).

Despite the importance of trust, there is a lack of consensus on its precise definition. The term is often used in a general sense, encompassing a multitude of meanings. In recent years, there has been a growing emphasis on the role of trust at the team level and its relationship with team effectiveness (de Jong & Elfring, 2010). The notion of trust inherently involves an element of risk. The potential consequences of an action can be either harmful or beneficial, depending on the response of the other person involved. The establishment of trust in a relationship is contingent upon the individual's confidence that the consequences and results will be beneficial for them. Nevertheless, there is a possibility that the information will be employed in a detrimental manner at a future point in time. At that juncture, they are disinclined to cultivate trust with the individual in question (Hamza et al., 2022).

In a study conducted by Gkinko & Elbanna (2023) it was demonstrated that trust is frequently identified as a pivotal element in a company's success. The concept of trust is not a fixed entity; rather, it is a dynamic phenomenon that fluctuates over time (McKnight & Chervany, 2001). It is of paramount importance for the purposes of enhancing employee engagement, motivation and candour. It is more likely that employees will pursue objectives set by a manager in whom they have confidence and will be more forthcoming about the difficulties they encounter. The underlying cause of the difficulties that companies encounter with their employees can be attributed to a lack of trust within the organisational environment. There is a prevailing atmosphere of apprehension. A lack of trust and an excess of fear in the workplace are collectively referred to as a toxic work environment (Sjoberg & Herber, 2008).

Trust is a fundamental aspect of an effective team, as it fosters a sense of security. When team members feel secure in their relationships, they are more inclined to engage in open communication, take appropriate risks, and reveal their vulnerabilities (Rudnák & Mészáros, 2018). Conversely, a lack of trust can impede innovation, collaboration, creative thinking, and productivity. It can also lead to a focus on self-preservation and self-interest, rather than on the collective pursuit of group goals.

2.3 Trust Building Issues

Chen (2020) has pointed that trust is an important part of any relationship. This is especially true in a business setting between managers and employees. Organizations with low trust have to deal with issues like inefficient workers and increased turnover. Having distrusting employees who constantly question every decision you make can be poisonous, and the attitude can spread throughout your organization. It can result in major setbacks causing your business to not perform well and everyone suffers (Allen, 2019).

The emergence of new communication technologies has enabled the creation of virtual work teams. Members of virtual teams connect and communicate at work through computer tools. Trust will be a determining factor in making the best use of these technologies (Luo & Najdawi, 2004). Without trust among team members, information does not flow openly, communication suffers and there is less willingness to collaborate. Trust building is therefore a key element for work teams to function properly, particularly when the current trend is for workers to interact remotely in virtual teams (Guinot, 2021).

Lewicki & Tomlinson (2003) state that trust is an essential element in team productivity. Without it, you're unlikely to get anything meaningful done. But with it, teams can accomplish everything they set out to do... and more. As a leader, it's important that you set an example. Show your team members how critical trust is to you by demonstrating your trust in them, as well as in your colleagues (Christopher et al, 2008).

Teubner & Dann (2018) say without trust, very little gets accomplished, especially in today's lean organizations, where people with seniority are often required to work for "their juniors" on projects. Without a culture of kindness, bruised egos can lead to a hostile workplace.

According to Reina et al. (2017) trust is "hot." Today, more than ever, it is increasingly recognized as an essential asset to break down silos, foster collaboration, deepen teamwork, drive engagement, and manage the never-ending process of change. According to Bueechl et al. (2023) trust is present, people step forward and do their best work, together, efficiently. They align around a common purpose, take risks, think out of the box, have each other's backs, and communicate openly and honestly. When trust is absent, people jockey for position, hoard information, play it safe, and talk about rather than to one another. In all teams, trust will be built, and trust will be broken. It comes with the territory of human relationships (Colquitt et al., 2012). Trust is especially vulnerable during periods of rapid growth or change, or when the team is virtual.

Teams face issues and business dynamics today that are challenging: needing to increase productivity and speed to market while streamlining processes and lowering production costs. High trust is essential to address these needs. Yet, trust comes with its own set of challenges. Trust is complex, meaning different things to different people, and while it can be positive or negative, it is emotionally provocative.

McQuerrey (2018) considered that for a workplace team to be productive, cohesive and ultimately successful, trust in one another is essential. When team members know they can count on each other, and understand that all contributions are welcomed and valued, it can create an environment in which morale increases, productivity sees an upswing and work product becomes exceptional in its quality. Zolfaghari & Madjdi (2022) examine the ways in which organisational members draw upon a multiplicity of cultural values in order to foster trust with their colleagues from disparate cultural backgrounds (Siau & Shen, 2003).

A series of surveys followed by semi-structured interviews were conducted in order to collect data from members operating in five different multinational organisations based in Germany and South Africa. The findings were analysed abductively and illustrate the multiple sources of cultural values that influence members' disposition to trust and their assessment of their colleagues' trustworthiness.

The first job of any leader is to inspire trust. Trust is confidence born of two dimensions: character and competence (O'Hara, 2014). Character includes your integrity, motive, and intent with people. Competence includes your capabilities, skills, results, and track record. Both dimensions are vital. With the increasing focus on ethics in our society, the character side of trust is fast becoming the price of entry in the new global economy. However, the differentiating and often ignored side of trust competence is equally essential. You might think a person is sincere, even honest, but you won't trust that person fully if he or she doesn't get results. And the opposite is true. A person might have great skills and talents and a good track record, but if he or she is not honest, you're not going to trust that person either.

According to Alshaabani & Rudnák (2023) the best leaders begin by framing trust in economic terms for their companies. When an organization recognizes that it has low trust, huge economic consequences can be expected. Everything will take longer, and everything will cost more because of the steps organizations will need to take to compensate for their lack of trust (Colquitt et al., 2011).

These costs can be quantified and, when they are, suddenly leaders recognize how low trust is not merely a social issue, but that it is an economic matter. The dividends of high trust can be similarly quantified, enabling leaders to make a compelling business case for trust. The best leaders then focus on making the creation of trust an explicit objective (Utomo et al., 2023).

It must become like any other goal that is focused on, measured, and improved. It must be communicated that trust matters to management and leadership. It must be expressed that it is the right thing to do, and it is the economic thing to do. One of the best ways to do this is to make an initial baseline measurement of organizational trust and then to track improvements over time (Onoriode & Samuel, 2023).

Lewicki et al. (2016) explore the specific characteristics of industrial relations conflict and focus on the trust building, distrust and trust repair elements. In their research, they focus on industrial relations at the organizational level and take elected worker representatives and the management of the company as the research object. They explore how to rebuild trust in organizations between management and workers (Brower et al., 2000).

The true transformation starts with building credibility at the personal level. The foundation of trust is your own credibility, and it can be a real differentiator for any leader. A person's reputation is a direct reflection of their credibility, and it precedes them in any interactions or negotiations they might have.

When a leader's credibility and reputation are high, it enables them to establish trust fast speed goes up, cost goes down (Stoner, 2018).

2.4. Barriers to Trust Building

The construction and maintenance of trust is an ongoing process. The relationship of trust discussed here has been established over an extended period of time and has required considerable effort. It will encounter unique challenges when implementing this process in any community (Papadopoulou et al., 2001). One impediment to the establishment of confidence was the lack of funding available during the initial stages of project development. The provision of funding would have enabled partners to invest time and resources in the development of relationships and trust. In any project where individuals from disparate backgrounds collaborate, a number of issues must be addressed. It is our contention that an exercise in cultural competence and cultural humility should be a fundamental aspect of every interaction between academic and community partners.

According to Garamvölgyi & Rudnák (2016b) the diversity of partners is considerable, encompassing differences in gender, race, level of education, urban versus rural setting, and economics. These differences have the potential to give rise to misunderstandings, particularly in the context of cultural background (Garamvölgyi & Rudnák, 2016a). However, as relationships mature, it is likely that both parties will be able to forgive each other's errors, provided there is a clear understanding that both parties are committed to the project and relationship.

3 Conclusion

One of the most significant advantages of the trust-building process was the gradual development of enhanced safety measures. As a consequence of our collective experience of working together, community and academic partners are now more willing and able to extend beyond the earlier boundaries of what was previously considered comfortable. Those involved in Messengers for Health recognise that it is not always possible to be culturally appropriate, but that it is possible to accept one another's misunderstandings (Christopher et al., 2008).

It is not our intention to suggest that trust is the sole or optimal means of addressing all disparities in health. In the context of Messengers for Health, however, the establishment of trust was of particular significance. A number of studies have indicated that confidence is a key factor in the formation of mutually beneficial relationships between academic and community partners. It is also important to note that trust is a highly individual phenomenon, with individuals from the same background often displaying different levels of trust in similar situations.

While the article in question has discussed trust in a variety of contexts, including relationships, the workplace, and commercial transactions between companies and customers, there are numerous examples that can be drawn upon to analyse the concept of trust in both related and unrelated fields.

Although it is widely acknowledged that trust is a fundamental element of a high-performing team, merely raising awareness of this fact represents merely the initial stage in the process of building and sustaining trust. Those in leadership positions who prioritise the development of trust are aware that individuals who are expected to collaborate as a team must genuinely function as such, not merely in name but also in spirit. To facilitate connections between team members on a human level and the formation of supportive, meaningful relationships that yield productive outcomes. Such a state of affairs requires a certain degree of trust. One must also trust oneself.

It is also necessary to place trust in one another. Furthermore, these leaders recognise that the necessity for trust manifests in various forms, including the imperative to enhance engagement, cultivate collaboration, facilitate change, or provide support to a team undergoing growth. In order to establish trust within a team, it is essential that individuals comprehend the fundamental principles of trust within a team context and demonstrate empathy for the inherent complexities and challenges that arise.

It is essential for these individuals to be aware of the current state of trust within their own teams and to be willing to seize opportunities for learning, growth, and development. Furthermore, they must be prepared to embody the conviction that trust-building is a continuous process. Furthermore, it is essential that they are prepared to rebuild trust when it is compromised. It is erroneous to view trust building as a one-off initiative; rather, it requires continued effort from all team members to ensure the sustained trust of others (Twaronite, 2016).

The importance of promoting public trust in science as a reason for the adoption of research-related rules or policies has been highlighted by various authors and organisations.

It can be argued that one potential shortcoming in these arguments is that they are poorly focused, as the public is not a uniform body with a common set of interests. One potential shortcoming of these arguments is that they lack a clear focus, given that the public is not a homogeneous entity with a uniform set of interests (Gkinko & Elbanna, 2023).

Arguments that are well-focused and promote rules or the use of public trust by the police should specify the following: (a) which media is being referred to; (b) what the public expects from researchers; (c) how the rule or policy will ensure that these expectations are met; and (d) what is important in meeting these expectations.

It is also important to note that trust-based arguments are an essential, though not the sole, strategy for explaining the rules and regulations governing research conduct. It could also be argued that other moral principles, such as social value, respect for human rights, sincerity, trustworthiness, and fairness, also support ethical standards in research conduct. Arguments that relate to these other moral considerations could be useful even when the main arguments based on trust are insufficient. Further empirical studies on the perceptions of such science in public settings will prove beneficial in the development of rules and policies and in the reinforcement of arguments.

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DANA KULSEITOVA – DIÁNA ESZTER BUJDOSÓ – KATINKA BAJKAI-TÓTH

The Difficulties Kazakh Students face in the Hungarian Labour Market

Abstract The present study examines one of the most pressing issues for international students: the process of entering the Hungarian labour market. The number of international students is increasing at a steady rate, primarily due to the availability of attractive scholarship opportunities. Upon arrival in the country, international students are confronted with the reality that maintaining a satisfactory standard of living is expensive, and the monthly scholarship is insufficient to cover the costs. In the empirical section, following a comparison of Kazakh and Hungarian cultures, the views of Kazakh students in Hungary were summarised. It was found that the most important factors for these students are secure living conditions and motivating career paths. However, even for students with a good professional background who speak the language, access to the labour market is difficult. Feedback from students must be listened to and understood in order to ensure that both higher education and the labour market can produce satisfied and effective students.

Keywords: Kazakh students, job seeking, adaptation, labour force

1 Introduction

The undertaking of a period of study abroad represents a substantial investment of financial, temporal and intellectual resources. The primary motivation for students undertaking an education abroad is the academic value of the experience (Mathies & Karhunen, 2021). A bachelor's degree, and even more so a master's degree, provides a student with the qualifications necessary to secure a well-remunerated position in their home country. Nevertheless, some individuals may have alternative aspirations (Han et al., 2022).

The aim of this study is to present the job opportunities available to Kazakh students during and after their studies in Hungary.

The novelty and significance of the research lies in the difficulty or ease with which Kazakh students find employment in Hungary, and in the perception of Kazakh university students about the labour market situation in Hungary.

Furthermore, the student employment sector represents a significant aspect of the labour market. It is therefore of interest to examine the difficulties and possible advantages that foreigners, in this case international students, face when looking for employment during and after their studies (Rudnák et al., 2022). However, contemporary international students must make decisions regarding not only their place of employment but also their career trajectory. This entails a nuanced consideration of the cultural nuances of their home and host countries, their desired lifestyle, and their aspirations for a brighter future (Arthur & Flynn, 2011).

The successful integration of foreign nationals residing in Hungary is in the best interests of all concerned. The integration of foreign nationals into the host society is a crucial aspect, regardless of their motivation for relocation, whether it be for work, education, or other reasons. The integration of international students into the Hungarian higher education system and the management of their mental well-being represents a complex developmental task that requires expertise. The positive outcome of this process is beneficial for both the students and the host country (Rudnák & Mészáros, 2018).

2 Literature Review

It is increasingly recognised by modern higher education institutions abroad that the reduction of unnecessary drop-outs can be achieved by increasing student satisfaction and providing targeted support for academic progression (Brooks & Waters, 2022). The implementation of well-organised, strategically designed support services has the potential to enhance the reputation of the institution, facilitate student recruitment in the medium term, and increase student loyalty and sense of belonging to the community. The combination of international residential migration, labour market mobility and educational mobility can be conceptualised as a study of individuals who choose to remain abroad (Netz & Jaksztat, 2017). The findings of Parey &Waldinger (2011) indicate that students' decisions regarding labour market mobility may be influenced by educational mobility programmes (Wiers-Jenssen & Støren, 2021).

In the case of Hungary, the Erasmus+ and Stipendium Hungaricum scholarship programmes have served to accelerate the influx of international students. The Tempus Public Foundation has indicated that the number of international students pursuing higher education in Hungary has been increasing. The number of Kazakh students in Hungarian higher education has been increasing annually, with the initial impetus derived from the Stipendium Hungaricum scholarship, which is managed by the Tempus Public Foundation.

This scholarship has been attracting a consistent inflow of students from Kazakhstan. While 51 students commenced their studies in Hungary during the inaugural academic year, the figure rose to over 200 in 2017 and exceeded 400 in 2019. Subsequent years have seen fluctuations in the number of students per academic year, with figures oscillating between 400 and 500 (OSAP, 2024).

In comparison to previous eras, the mobility of talent is a notable phenomenon. A significant proportion of highly talented individuals are able to exercise choice and are willing to relocate to any location where they can optimise the utilisation of their talents (Wang & Liu, 2016). To a certain extent, the geographical mobility of all students intersects with the boundaries of academic and early career trajectories (Sabaté-Dalmau, 2020). The integration of foreign students or employees into an established team represents a significant challenge. However, when effectively managed, it can foster the creation of a well-functioning community, which is a crucial element for success (Wu & Rudnák, 2021).

As posited by Shu et al. (2020), the establishment of an inclusive, welcoming, respectful and non-judgemental environment is a fundamental prerequisite for the formation of a successful and robust community, including the provision of support for the integration of foreigners (Crossman et al., 2022). The integration of foreigners is made more challenging by their disparate language and cultural backgrounds. However, by providing language courses, bilingual mentoring, regular team-building activities and effective conflict management, a robust and diverse community can be established (Çuhadar & Rudnák, 2022a,b).

Mobilising the labour reserve and importing foreign workers or attracting foreigners studying in Hungary to the Hungarian labour market is crucial for sustaining Hungarian economic growth.

2.1 Kazakhstan and Hungary according to Cultural Dimensions

An investigation of Kazakh culture through the lens of Hofstede's work provides a comprehensive understanding of the fundamental forces that shape Kazakh culture. Concurrently, an examination of Hungarian culture allows for the immediate identification of the values that are held in high regard within that culture. This enables a comparison to be made between the two cultures, allowing for the identification of both similarities and differences (**Figure 1**).

By employing Hofstede's conceptual framework to examine Kazakh culture, we can gain a comprehensive understanding of the underlying forces that shape it. Concurrently, an examination of the values attributed to Hungarian culture can be conducted, enabling a comparison to be made. This allows for the identification of both similarities and differences.

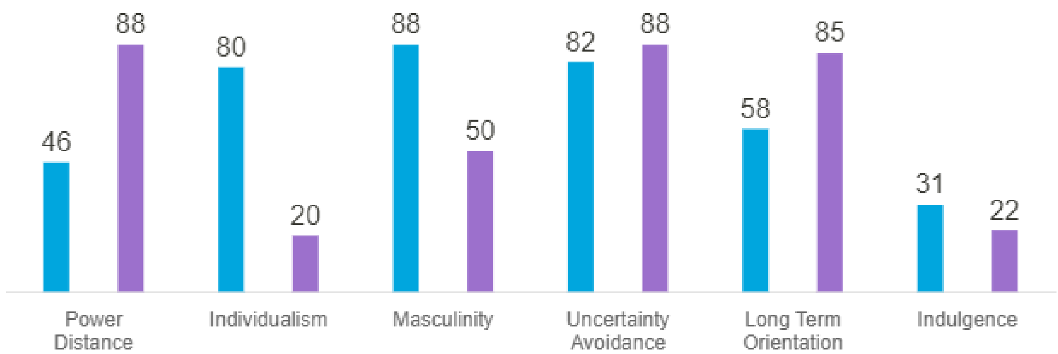

Figure 1 Hofstede model shows Hungary (blue) and Kazakhstan (purple)

Source: www.hofstede-insights.com

The power distance index is notably high, with a score of 88. This indicates that in Kazakhstan, those in positions of authority maintain a considerable distance from the general public. The population of this society is inclined to accept a hierarchical order in which each individual occupies a designated position and which does not require further justification. The hierarchical structure is perceived as a reflection of the inherent inequalities, and the differential distribution of power is seen to justify the fact that those in positions of authority enjoy greater advantages than those who are less powerful in society. The discrepancy between smaller and more influential individuals gives rise to the significant role of status symbols.

Hungary scores lower on this dimension (46), indicating that the Hungarian style is characterised by a number of key features. These include independence, a hierarchical structure that is primarily a matter of convenience, equal rights, access to superiors, coaching leaders, facilitation and empowerment by management. Power is decentralised, with managers relying on the experience of their team members. Employees expect to be consulted, and there is a preference for informal attitudes towards managers. Control is disliked, and communication is direct and participative.

The concept of individualism can be defined as the belief that the individual is the fundamental unit of society, with an inherent right to self-determination and autonomy. The exceptionally low score of 20 assigned to Kazakhstan indicates that it is a highly collectivist society. This is evident in the initial stages of integration and a robust, unified 'in-group' dedication to sustained, intimate involvement. The society is characterised by a high degree of social cohesion, with individuals assuming responsibility for the protection of their group members. Loyalty is of paramount importance and takes precedence over the majority of social norms. In these societies, insulting another person is perceived as a transgression that causes shame and loss of face.

A score of 80 indicates that Hungary is an individualistic society.

This indicates that there is a strong inclination towards a relatively flexible social structure, wherein individuals are primarily responsible for their own welfare and that of their immediate family. In individualistic societies, resentment gives rise to feelings of guilt and loss of self-esteem. The employer/employee relationship is based on a contract that is mutually beneficial. Hiring and promotion decisions are expected to be based on merit alone, and leadership is defined as the control of individuals.

In terms of masculinity, Kazakhstan scores 50, indicating a blend of masculine and feminine traits. There is an equal gender role division, with some aspects exhibiting masculine characteristics and others feminine. Hungary, with a score of 88, is characterised by a masculine society. In such societies, individuals are expected to prioritise work, and managers are perceived as energetic and decisive, with an emphasis on equality, competition, and productivity. Conflicts are often resolved through confrontation.

In terms of uncertainty avoidance, Kazakhstan exhibited a notably high score of 88, indicating a tendency to resist change and a pronounced risk-averse attitude. They adhere to inflexible codes of belief and behaviour and are intolerant of unconventional conduct and ideas. The existence of strict rules, laws, policies and regulations serves to reduce uncertainty and provide a sense of stability.

Hungary attained a score of 82 points. In terms of this dimension, the scores are almost identical, with individuals frequently characterised as exhibiting a pronounced pessimistic outlook. They are averse to the prospect of unknown risks in a relationship or at work and are fearful of unknown situations. Such circumstances are perceived as dangerous.

In terms of long-term orientation, the Kazakh culture exhibits an exceptionally pragmatic disposition, as evidenced by a remarkably high score of 85. The veracity of a statement is believed to be contingent upon the circumstances, context, and temporality of its occurrence. They demonstrate the capacity to adapt traditional practices to evolving circumstances, exhibiting a pronounced proclivity towards financial prudence and investment, as well as a penchant for frugality and tenacity in attaining objectives.

Similarly, Hungary is also a pragmatic country, with a score of 58. Both countries demonstrate an ability to adapt readily to changing circumstances, a willingness to save and conserve resources, and persistence in achieving results.

The low score of 22 on this dimension indicates that Kazakhstan has a culture of restraint. In contrast, societies that are less developed tend to be cynical and pessimistic, and they do not prioritise spending leisure time or controlling the satisfaction of their desires. There is a perception that actions are constrained by social norms, and indulgence is viewed as inappropriate.

The Hungarian score is 31. It is not uncommon for individuals to perceive social norms as constraints on their actions and to view self-indulgence as a potentially inappropriate behaviour. The two cultures exhibit a high degree of similarity with regard to this dimension.

In accordance with Hall's dimensions, it can be posited that Kazakhs possess a profound literary tradition and evince a profound sense of pride in their eloquence when utilising their native language. The vast majority of them are fluent in Russian. There is a paucity of individuals who are proficient in the English language, yet the number of those who are able to communicate in this language is on the rise. Kazakhs engage in rigorous debate, upholding not only their own reputation but also that of others with dignity. They are accustomed to conversing and communicating with Russians and also evince interest in Westerners. Older people are treated with great respect and courtesy, with direct eye contact maintained during communication. They enjoy lively and engaging conversations, seeking a similar level of enthusiasm from their interlocutors and valuing sincerity. They are not receptive to criticism but are eager to learn and curious about the experiences of others. They are attentive and inquisitive listeners, free from cynicism, unlike Russians and Westerners, with whom they are highly engaged. They rarely, if ever, interrupt.

In accordance with Trompenaars' seven dimensions, it can be posited that Kazakhstan is typified by particularism, whereby the populace adheres to the conviction that the relationships and circumstances in which they reside prescribe the tenets by which they conduct themselves. In decision-making, respect for the opinions of others, flexibility and autonomy are evident, as is a gradual building of relationships, as previously indicated in the characterisation of their communication. The country is characterised by a communitarian ethos, whereby the collective is accorded greater importance than the individual. It would be inaccurate to state this categorically; however, the above evidence suggests that collectivism is a prominent feature of Kazakh culture. The group plays an important role in identity formation, in everyday life, and in decision-making. In terms of communication, it is essential to speak clearly and directly, while exercising appropriate caution. Communication is direct and detached, with a focus on essentials before the establishment of rapport. The subsequent dimension is that of attribution, whereby individuals are valued for their intrinsic characteristics. In this dimension, the determinants of status are power, title and position, which also determine behaviour. This is particularly evident in Kazakhstan in its organisational structures. Societies in the Synchronicity dimension perceive the past as both present and future, and tradition and foresight are of significant importance. They often engage in concurrent tasks and flexibility is essential. In our case, the influence of neighbouring countries and Russian influence, as well as historical events, have contributed significantly to the development of this characteristic of Kazakh society. Finally, there is the dimension of outward orientation.

This concept pertains to the attitude towards the environment, wherein the cultural and social arrangements of a given society are imbued with environmental and natural influences, as well as the conviction that they are capable of exerting control over their surroundings. Additionally, conflict avoidance and focused action are notable characteristics (Wiers-Jenssen & Støren, 2021).

As evidenced by the GLOBE results (**Table 1**), the values are, in fact, similar. However, institutional collectivism exhibits a notable divergence, which corroborates the Hofstedean distinction between individualism and collectivism.

Table 1 The Hungarian and Kazakh GLOBE values

	Hungary		**Kazakhstan**	
	as is	**should be**	**as is**	**should be**
Performance orientation	3.43	5.96	3.57	5.41
Assertiveness	4.79	3.35	4.46	3.84
Future orientation	3.21	5.7	3.57	5.05
Human orientation	3.35	5.48	3.99	5.62
Institutional collectivism	3.53	4.5	4.29	4.04
Intra-group collectivism	5.25	5.54	5.26	5.44
Gender equality	4.08	4.63	3.84	4.75
Power distance	5.56	2.49	5.31	3.15
Avoiding uncertainty	3.12	4.66	3.66	4.42

Source: Authors' own work

Classical cultural studies demonstrate that, although there are notable differences between Hungarian and Kazakh culture, there are also numerous similarities. It is always advisable to be mindful of the fundamental differences in values that exist between one's own culture and that of the host country. Failure to do so can result in unintended conflict and misunderstandings that remain unresolved can potentially lead to more serious issues. Cultural intelligence assessments and sensitivity training are beneficial as a preventive measure and in addressing conflicts that have already developed. Failure to address and resolve critical issues may result in social isolation and a decline in performance and motivation (Rudnák et al., 2015; Garamvölgyi & Rudnák, 2016a).

3 Methodology

The questionnaire survey was designed with the objective of either confirming or refuting the hypotheses that had been formulated. The survey included questions pertaining to the integration of study and work among Kazakh students at Hungarian universities. The questionnaire was distributed via the snowball sampling method, with a three-week completion period.

Participation in the questionnaire survey was voluntary and anonymous. Subsequently, we inquired about the respondents' demographic characteristics.

We then posed a series of five-point Likert scale questions, as follows: The respondent should indicate whether the statement is not at all true of them, or if it is true to a certain extent (*NO, not at all 1 2 3 4 5 YES, absolutely).*

The respondent should indicate whether the statement is absolutely true of them.

A total of 103 respondents were subjected to detailed analysis and are presented in the subsequent report. The data obtained from the completed questionnaires were entered manually into the program and subsequently processed, summarized, and subjected to hypothesis testing. Correlations were identified through cross-tabulation analysis. The findings of the research are presented in the form of charts and tables. The initial stage of the analysis involved the presentation of a summary of the demographic data, which was followed by the questions pertaining to the hypotheses.

3.1 Presentation of the sample population

The demographic profile of the sample population is as follows: 30.1% (31) of respondents were male, while 69.9% (72) were female, representing a ratio of almost two women to every man.

The age range of respondents who completed the questionnaire was 18-40 years. The youngest cohort comprised 92 individuals, with an average age of 24 years, and the oldest cohort comprised 11 individuals, with an average age of 35 years.

In terms of marital status, the majority of respondents indicated that they were single or divorced, representing 54.4% (56) of the total sample. The proportion of respondents who indicated that they were in a relationship, partnered, or married was 45.6% (47).

The distribution of respondents by level of education revealed that the majority were enrolled in bachelor's and master's programmes, representing 42% and 47% of the total, respectively. The remaining respondents were doctoral students, while 10 (9.7%) and 4 (3.9%) were preparatory students in Hungarian.

The number of respondents per university is as follows: The Hungarian Agricultural and Life Sciences University contributed 31 responses, the Budapest University of Technology and Economics provided 17, Óbuda University supplied 12, Eötvös Loránd University offered 8, the University of Debrecen provided 5, and the remaining 30 responses were from other institutions. The following universities participated in the survey: Reformed University, Central European University, Budapest Corvinus University, Metropolitan University, IBS, University of Szeged, Eszterházy Károly University, University of Miskolc, Széchenyi István University.

The survey was completed by 103 students representing a diverse range of academic disciplines. Of these students, 8 (8%) were self-financing their studies, while the remainder had been awarded scholarships.

Table 2 Foreign language skills of Kazakh students. N = 103

Language	Basic	Intermediate	Advanced	Not spoken
Hungarian	62	24	3	14
English	0	15	88	0
German	55	6	5	37
French	48	5	4	46
Spanish	51	0	6	46
Russian	0	2	98	3

Source: Authors' own work

In terms of foreign languages, the majority of respondents are multilingual, with a minority being trilingual or more. Consequently, a high level of proficiency can be observed, with Kazakh students demonstrating an upper intermediate level of English and Russian, an intermediate level of French or Spanish, and a significant level of Hungarian.

4 Results and Discussion

4.1 Difficulties in finding a job

The expectations of the labour market are clearly delineated, and the areas of concern have been meticulously delineated. The causes of intercultural misunderstandings can be attributed to a number of factors, including a lack of knowledge of foreign languages, differences in communication styles, a lack of understanding of the partner's culture and a failure to recognise the significant influence that cultural background exerts on communication, behaviour and perception (Szabó, 2019).

As Alshaabani & Rudnák (2023) observe, the labour market has become increasingly globalised. Students who participate in mobility programmes can benefit from their international experience and be more successful in the job market (Rudnák & Szabó, 2019).

As illustrated **in Table 3,** 30% of respondents indicated that they perceive a lack of employment opportunities for foreign nationals and international students. Conversely, the remaining respondents expressed the view that foreign nationals and international students are able to secure employment. A total of 36% of respondents indicated that they perceived the professional standards required by Hungarian companies to be excessively high. A total of 36% of respondents were unable to provide a precise answer to this question. A total of 28% of respondents indicated that it is possible to secure employment without meeting the requisite professional standards.

The majority of respondents indicated that proficiency in the Hungarian language is a crucial factor in securing employment. Insufficient language skills can impede one's ability to obtain a position (Rudnák et al., 2022).

Table 3 Difficulties on the Hungarian labour market**.** N = 103

What obstacles do you see when trying to find a job in Hungary?		1	2	3	4	5
1.	**Lack of job offers for foreigners/international students**	16 (15.5%)	27 (26.2%)	21 (20.4%)	21 (20.4%)	18 (17.5%)
2.	**The professional level required by Hungarian companies is too high**	7 (6.8%)	22 (21.4%)	37 (35.9%)	29 (28.2%)	8 (7.8%)
3.	**Insufficient knowledge of Hungarian language**	10 (9.7%)	7 (6.8%)	25 (24.3%)	32 (31.1%)	29 (28.2%)
4.	**Difficult to look for a job and study at the same time**	13 (12.6%)	11 (10.7%)	29 (28.2%)	38 (36.9%)	12 (11.7%)
5.	**Lack of information about working in a Hungarian company**	20 (19.4%)	15 (14.6%)	36 (35%)	26 (25.2%)	6 (5.8%)
6.	**Foreigners are reluctant to be employed**	35 (34%)	40 (38.8%)	18 (17.5%)	8 (7.8%)	2 (1.9%)

Source: Authors' own work

A significant proportion of students encounter difficulties in concurrently pursuing both job search and academic studies, given the considerable time investment required for the former (Singh et al., 2022). As an illustration, when accessing websites where job vacancies are advertised, it is necessary to complete a form for each position, which typically requires approximately 30 to 40 minutes. The majority of individuals do not perceive the information provided about working for a Hungarian company to be incomplete. Only a minority (10%) believe that Hungarian companies are reluctant to engage with foreign workers (Hamza et al., 2022).

4.2 Attractive effects of Hungary

Obtaining feedback from foreigners is always beneficial for the host culture. In the following section, Kazakh students will describe the positive factors that influence their decision to consider Hungary as a potential place of residence, whether for a longer or shorter period of time, or even permanently.

As illustrated in **Table 4**, 37% of respondents indicated that economic stability would not be a determining factor in their decision to remain in Hungary. Conversely, 26% of respondents stated that economic stability would be a key reason for remaining in Hungary. The remaining respondents expressed neutrality on this matter.

Forty-four percent of respondents indicated that they perceive Hungary as a favourable environment for career advancement, while 28 percent expressed neutrality on this matter. Conversely, 28 percent of respondents stated that they would not choose to remain in Hungary due to concerns regarding career development opportunities.

Table 4 Attractive effects of Hungary. N = 103

If you stay or would stay in Hungary, why?		**1**	**2**	**3**	**4**	**5**
1.	**For reasons of economic stability**	12 (11.7 %)	26 (25.2 %)	39 (37.9 %)	16 (15.5 %)	10 (9.7%)
2.	**Better career prospects**	8 (7.8%)	20 (19.4 %)	29 (28.2 %)	27 (26.2 %)	19 (18.4 %)
3.	**Higher standard of living**	11 (10.7%)	21 (20.4%)	35 (34%)	23 (22.3%)	13 (12.6%)
4.	**For security**	8 (7.8%)	10 (9.7%)	35 (34%)	37 (35.9 %)	13 (12.6%)
5.	**Hungarian culture**	16 (15.5%)	31 (30.1%)	42 (40.8%)	9 (8.7%)	5 (4.9%)
6.	**For other reasons**	16 (15.5%)	9 (8.7%)	36 (35%)	12 (11.7%)	30 (29.1%)

Source: Authors' own work

The majority of respondents indicated that they would remain in Hungary due to the higher standard of living compared to Kazakhstan. Nearly 50% of respondents cited security as a primary reason for staying, while 14% identified Hungarian culture as a significant motivator. Approximately 25% of respondents expressed a lack of intention to stay in Hungary for other reasons, while 42% indicated a strong reluctance to do so.

5 Conclusion

The questionnaire revealed that the primary motivations for Kazakh students to remain in Hungary were security and career advancement. For a foreigner to reside in the country of their studies, it is essential to gain proficiency in the language of the country of residence. This facilitates employment opportunities and integration into the local community.

Among the individuals interviewed, there are those engaged in manual labour who have attained a high level of proficiency in the Hungarian language. However, the nature of the work is aligned with their field of study, and thus, the perception of physical labour as inherently negative is not universal. There are individuals who are proficient in English and French or other languages, and they secure employment with foreign companies that have partners or clients from diverse countries. These students do not require proficiency in Hungarian, unless they intend to reside in Hungary in the future.

It would be prudent for employers to give greater consideration to students who demonstrate a proficiency in Hungarian. It is important to note that language proficiency does not necessarily indicate proficiency in other professional skills.

However, it is valuable to provide these individuals with an opportunity to demonstrate their abilities in their work. If they are unable to produce results, it may be necessary to consider alternative options. The incorporation of diverse competencies into the Hungarian labour market can undoubtedly provide a new impetus, a novel dimension, and a source of motivation for Hungarian workers who are already familiar with the advantages of a multicultural environment in their daily lives (Garamvölgyi & Rudnák, 2016b)

Indeed, students who return home after an international study trip exhibit enhanced self-confidence, increased independence, and superior entrepreneurial abilities. Additionally, they demonstrate heightened tolerance for other cultures and a more profound appreciation for their own culture (Van Mol et al., 2021). During their time abroad, students often discern cultural parallels, whether between their own culture and that of the host country or between their own culture and other cultures.

It is reiterated that the two most significant factors attracting Kazakh students to Hungary are the country's reputation for providing a secure living environment and the availability of career opportunities.

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BOYUAN LI – NAJWA JNAIKAH – DIÁNA ESZTER BUJDOSÓ

The Image of an Inclusive Swedish Culture before Mass Migration

Abstract. The objective of this study is to establish a comprehensive and scientifically robust knowledge base for individuals transitioning to a foreign culture. This framework is designed to equip individuals with the tools necessary to navigate the challenges associated with cultural adaptation and to mitigate the adverse effects of culture shock. The present study explores and characterises Swedish culture, with a particular focus on intercultural influences. The results of the cultural research are explored and characterised along the dimensions of Hofstede, GLOBE, World Value Services, Lewis and Trompenaars. The study addresses the challenges of migration, but in the period under study (2016-2020), immigrants and workers have mainly come to Sweden from EU Member States. It is only towards the end of the period under study that there is a shift towards Muslim communities. The present study explores the social sensitivity and empathy of Swedish welfare society towards the elderly, the disadvantaged and the needy.

Keywords: cultural research, competencies, immigration, welfare

1 Introduction

In Sweden today, many cultures come together in everyday life, and a large proportion of the population was born abroad. We wonder how people with different traditions and customs can integrate into Swedish culture.

Nowadays it is quite common for people to move to other countries, either permanently or for a short time. There are many reasons for emigration: it can be for work, as globalisation has led to the creation of subsidiaries of multinational companies in several countries; it can be to learn a language or start a family; it can be a life situation, where someone moves to live with relatives who already live abroad; it can be a sense of adventure and curiosity to get to know other cultures, especially among young people; it can be a forced situation, such as war or threats (Wu & Rudnák, 2021).

Companies also prefer candidates with international experience. Not only because of a high level of language skills, but also because a person who has lived abroad can have a lot of experience that can help in both professional and personal situations. Reconciling one's own culture with a foreign culture is always a key issue.

Often it is not two cultures but several that come together, for example in large multicultural companies. Research into intercultural competence is becoming increasingly valuable. It is becoming increasingly important for people from different cultures to be able to accept each other and work together (Rudnák et al., 2022).

Sweden has been a member of the European Union since 1995. In the long time since accession, it has become easier, simpler and gradually more common for many people to come from other countries and live here for shorter or longer periods. Together with the Nordic countries, Sweden is one of the most developed regions in the world. It is one of the world's leading countries in terms of quality of life, education, health, freedoms and economic competitiveness. This may be why it is an attractive destination for immigrants. And people from many different backgrounds come with many different cultures, customs and traditions, and this diversity needs to be reconciled with Swedish culture (Szabadosné Előházy, 2023).

Migration and its social and economic effects have been present in society almost from the beginning. At the heart of the definition is human behaviour, changing residence, moving. The prehistory of migration ended with the settlement of peoples. Subsequently, population movement was replaced by individual action. The multicultural model of society became widespread from the late 1970s (Hautzinger et al., 2014).

At the end of the 20th century, the process intensified with globalisation. It became easier and easier to move to another country, either temporarily or permanently. Economic differences between countries have also contributed to migration. In Sweden, the situation of minorities has become a central issue for the 21st century. The country did not have colonies before, and significant numbers of immigrants only arrived after the Second World War (Pap, 2004). The free movement of labour was one of the main objectives of the founding of the European Union (Hárs, 2018). The process of international migration is now a familiar phenomenon, and since the 1990s globalisation has intensified the process, affecting the whole world in all walks of life.

The International Conference on Migration Statistics, held in Geneva in 1932, defined what should be included in the concept of migration. In the 1970s, many of the more developed countries introduced simplifications in the management of border controls. The 1998 revision introduced the concept of habitual residence. In 2020, a definition of the internationally mobile population was introduced for a UN recommendation (Urbán, 2022). Migration in the 21st century is a highly complex process in which humanitarian, economic and environmental impacts may play a role (Kőmíves et al., 2018).

2 Literature review

2.1 The importance of cultural research

Cultural research is an exceedingly intricate phenomenon, frequently prompting social scientists to address specific inquiries. To date, a plethora of theories have been formulated on the subject, enabling comprehension of the evolution of a group's culture and the factors that have precipitated its transformation.

Culture was first understood as objects, and later as customs and learned behaviour. Subsequently, it was recognised that culture is not really in the things that are visible, but in the essence behind them and is most recognisable in language (Rudnák, 2010). Considered as an evolutionary process, culture is the transmission and perpetuation of information within the framework of social learning (Horváth, 2014). Bakacsi (2006) defines culture as a shared value, a value system that determines and shapes the behaviour of a society. According to Hofstede (2003), culture is the collective programming of thought.

Cultural research highlights the differences between cultures along the lines of inquiry. Geer Hofstede was the first to conduct such a study. He studied forty and then more than fifty countries along defined dimensions among IBM employees. The original five dimensions were followed by a sixth, the so-called "lenient-limiting dimension". This last dimension was derived from research by Minkov, who analysed data from 93 countries in the World Values Surveys (Hofstede et al., 2010). The GLOBE research was based on Hofstede's research but was developed further and included a modified category

Lewis' model distinguishes three different types of culture based on communication and behaviour. The groups in the model are linear-active, multi-active and reactive. According to this grouping, he distinguished the countries of the world (Garamvölgyi & Rudnák, 2016a).

Culture does not affect us consciously; it is almost imperceptibly present in our daily lives. Beyond the knowledge of rules and norms, it is more important to understand the underlying content and context. It is not easy to group and organise the elements that make up culture because they are interrelated. The most important elements may be religion, language, social organisation, history. Food habits, dress, wedding, funeral and celebration ceremonies are also influenced by religion and history. Many definitions agree that culture is passed down from generation to generation. (Malota et al., 2013).

2.2 The importance of interculturalism

Intercultural communication is much more than just contact between two or more people, it involves hidden dimensions and connections. Intercultural communication is influenced by the media, government institutions, historical memories, economic conditions, popular culture (music, film, fashion).

Communication must consider the representational elements of cultures, such as stereotypes. Without knowledge of these elements, intercultural discourse can lead to misunderstandings. In the age of globalisation, we connect with people from other cultures in many ways that were not possible before, crossing national borders, continents and cultural boundaries. Intercultural encounters raise many issues. It affects the identity of individuals and groups, their perceptions of culture and the world (Rudnák & Szabó, 2019).

Globalisation has several factors that need to be considered in intercultural communication. These factors include economic power structures, cultures are no longer geographically bound, cultural elements move rapidly and across national borders, increasing trade in goods and products, the spread of western consumerism, the emergence of hybrid identities. Interculturalism refers to the ongoing exchange between cultures. Different cultures can result from differences in gender, race, religion, socioeconomic class, nationality, ethnicity (Halualani, 2022).

Being in a foreign country does not necessarily lead to intercultural understanding. It is up to the individual to determine the extent to which he or she participates in the cultural experience, with some experiencing it superficially and others more deeply. Whether short or long term, living in a foreign country requires a process of learning and adaptation. The intensity and extent of the demands depend largely on the person's abilities. Intercultural learning is a process that results from the demands of adaptation, responding to interactions in a new cultural environment.

The process of learning, adaptation implies assimilation, but it can also be the opposite – non-assimilation. A common phenomenon is the reinforcement of prejudices, negative or ethnocentric reactions (Alshaabani & Rudnák, 2023). Some people live abroad for years and yet their reactions to cultural differences remain the same or change very little. Research and literature consider a wide range of perspectives, making it difficult to define a single, comprehensive approach.

A communication disorder can cause frustration, not only because it makes everyday life difficult, such as shopping or running errands, but also because we cannot express our feelings and therefore feel isolated from others. It is easier to accept a cultural difference that you like. Adaptation cannot be defined as positive or negative, it is always a response to the individual's attitude to the environment. Accepting a new culture does not mean leaving one's own culture, but rather adding to existing knowledge, new skills and perspectives. The greatest challenge is the difficulty of understanding; individuals do not react and behave in the same way to intercultural environments. Studies have shown that people who speak several foreign languages do not necessarily have intercultural skills. Unfortunately, research shows that prejudice is more easily passed on than empathy (Shaules, 2007).

We speak of intercultural communication when the communication process is influenced by cultural factors. Intercultural communication is often seen as a process of symbolic exchange between different cultures.
The most important factors in communication are knowledge, attitudes and skills.

- Knowledge: the acquisition of knowledge and concepts,
- Attitude: thinking to understand, looking at someone else's behaviour from a cultural perspective, and
- Skills: the ability to integrate knowledge with intercultural practice. Intercultural families and their bicultural children raise new issues.

Couples often find themselves confronted with the prejudices of their parents and family members when they marry. This is particularly true when the cultures of the parties are very different, for example because of skin colour. Children tend to identify with the parent who belongs to the dominant group, but some children distance themselves from their parents' cultural background and develop their own identity (Ting-Toomey & Chung, 2005).

The concept of cultural communication was coined by Hall and became popular in the 1970s and 1980s. It refers to the interaction of people from different cultures. Intercultural situations can arise in a variety of situations, such as moving from a rural to an urban area, starting a new job or school, or in gender relations. The components of intercultural competence are knowledge, skills and personality (Rudnák, 2015).

The concept of intercultural competence should be kept under constant review and should not be seen as a constant, as culture changes over time. Often, when comparing cultures, differences are overemphasised rather than focusing on similarities. Many fear that this view can lead to a universalistic perspective, but in fact we can discover diversity in differences and similarities.

There is no model or tool to ensure success in intercultural communication; intercultural competence cannot be acquired repeatedly. Depending on the context and the interlocutor, the signs can vary in many ways. There is a growing awareness in language teaching that learners need skills to be effective in intercultural communication. Culture is a complex and dynamic concept, and in today's world, thanks to the Internet, people from all over the world can connect quickly and easily. The boundaries of culture are becoming blurred (Dervin & Gross, 2016).

In the United States, a survey was conducted in 2014 to assess the intercultural competence of health care trainees. The Intercultural Development Inventory tool was used to measure competence. The results showed that minority students scored higher on developmental orientation than non-minority students. Most respondents overestimated their intercultural competence. An important factor is that time spent abroad does not imply higher intercultural competence (Kruse et al., 2014).

Immigration has brought not only cultural diversity but also social inequality. Critical awareness is an important complement to intercultural competence. It is important not to define individuals by static cultural affiliations according to their country of birth, but to consider the cultural identity of the individual.

Social inequalities are reinforced when groups of different cultures live in separate neighbourhoods and may attend separate educational institutions. More and more research is looking at intercultural competence in young people. Critical awareness helps young people to adapt their behaviour to these attitudes and to apply them successfully in intercultural interactions (Shwarzenthal, 2022).

2.3 The importance of integration competences

During the pandemic, research using virtual reality (VR) tools was conducted with first-year university students in the US. They investigated how the tools could be used to influence participants' intercultural competence and develop their knowledge, attitudes and beliefs. Before and after the experiment, the students' competence was assessed using the Intercultural Development Inventory. The results showed that intercultural competence can be developed by using virtual reality to represent different intercultural situations in the real world. The VR scenario was based on several theoretical contexts, such as time, power and task/relational orientation. Prior to the VR simulation, participants completed an online test measuring the Ambiguity Tolerance

Scale, individual intercultural sensitivity, and knowledge of the dimensions of culture. Two weeks after the simulation, they completed the same test. Self-reported intercultural competence was higher on the first test than on the second. This suggests that the VR experience changed their self-assessment experience, and they had a more realistic view of their own competence, correcting the overestimation in the first test. Perhaps in the future, these tools will become more common in intercultural competence development education (Wohlgenannt et al., 2020).

For a summary of the ways in which the test of intercultural development can be used, see the results of a survey of teachers. There are three levels of cultural measurement: cultural level, intercultural level and intercultural experience level. The first level focuses on cognitive components, the second on intercultural relationships and the third on people's ability to create alternative cultural experiences. Research has shown it to be a reliable measure of intercultural sensitivity (Polyák et al., 2012).

An individual's intercultural competence can be used to infer how easy or difficult it is for him or her to integrate into another culture. A study looked at nine characteristics of competence. They looked for answers to the relationships between three key factors of integration: intercultural competence, cultural intelligence and culture shock. In the future, measuring cultural intelligence will in many cases be an important tool for employers in selection. It can help to predict the length of the adaptation period of a person coming to a foreign culture (Garamvölgyi & Rudnák, 2016b).

In a multicultural environment, the intercultural competence of the individual is also a central issue. In her research, Garamvölgyi (2022) examined the relationship between the intercultural elements summarised by Rudnák and cultural intelligence. These are interpersonal skills, language skills, cultural curiosity, tolerance of uncertainty, flexibility, patience and respect, cultural empathy, a strong sense of self, and a sense of humour. In his study, he showed that cultural intelligence and intercultural competence are related.

4 Characterisation of host Sweden until 2020

4.1 Immigration rates based on data

To characterise the country, we first collected some facts from Eurostat and the OECD website. Sweden is the largest country in Northern Europe, with most of the population in the south and a small population in the north.

Table 1 Number of foreigners settled in Sweden by country between 2016 and 2020, based on OECD data

Country	2016	2017	2018	2019	2020
Australia	409	408	286	338	400
Austria	349	369	338	451	351
Belgium	305	267	303	346	319
Canada	175	175	200	240	155

Czech Republic	86	111	99	105	94
Denmark	1 422	1 544	1 456	1 410	1 557
Estonia	129	199	169	142	-
Finland	579	584	643	660	677
France	728	560	595	586	462
Germany	2 541	2 610	2 754	2 730	2 228
Hungary	153	173	182	228	138
Iceland	96	104	104	67	73
Israel	25	28	20	24	19
Italy	162	193	235	224	242
Japan	982	988	1 095	1 068	369
Korea	282	281	326	324	298
Latvia	-	41	42	39	9
Luxembourg	123	94	123	109	88
Mexico	41	19	33	25	30
Netherlands	950	1 019	1 152	1 247	931
New Zealand	221	220	217	256	131
Norway	2 454	2 185	2 103	1 965	1 800
Poland	252	225	182	159	141
Slovak Republic	21	12	12	17	13
Slovenia	14	9	6	17	19
Spain	1 876	2 303	2 640	2 901	1 886
Switzerland	791	813	849	920	969
Türkiye	374	391	770	1 188	-
United States	1 363	1 137	1 087	1 206	944
TOTAL	16 935	17 062	18 021	18 992	14 343

Source: OECD website. International Migration Database

The GDP per capita (44950 EUR) is also outstanding among developed countries. The 60% share of renewable energy in gross final energy consumption also shows Sweden's favourable position.

The OECD website also provides a range of data on the country, including tabulated data on permanent residents. **Table 1** shows how many people have come to Sweden from which countries in recent years, showing the diversity of the cultures living together.

The number of settlers arriving in the country of more than ten million people each year averages 15-17,000, most of them from Europe, including the EU. More than 1 million of the country's 10 million people were born in another country. This heterogeneous composition has its pitfalls. Women in the labour market initially worked part-time, but this has gradually been replaced by full-time work. Health research has shown that stress and psychological factors have increased as a result (Fritzell & Lundberg, 2006).

Based on Swedish statistics from 2005, studies were carried out among the native population with two Swedish parents and among immigrants with one Swedish and one foreign or both foreign parents. One of these indicators is the question of educational attainment, which showed that women have higher educational attainment than men. A higher percentage of those from the Nordic countries, typically Western and Northern Europe, also chose a foreign couple than natives or those from Eastern Europe, America, Africa or Asia. The data suggest that cultural and social boundaries between ethnic groups have narrowed. Cohabitation without formal marriage is common in the country. This form of cohabitation is also becoming more common among immigrants. According to the answers to the questions on attitudes towards Swedish culture, the majority have accepted Swedish culture to a greater or lesser extent (Nekby, 2012).

4.2 Sweden based on comparative cultural models

Based on Hofstede's model

As shown in **Figure 1** Sweden scored low on the power distance dimension, which means that Swedes are perceived as independent, equal rights, managers are accessible, partners with employees, strive to minimise inequality, communication is direct. Sweden is classified as an individualistic society. A loose social framework is characteristic, and the employer-employee relationship is a contract based on mutual benefit. People are expected to provide for themselves and their families.

The score on the masculinity dimension is very low, i.e. the country is more dominated by feminine characteristics, which are a balance between life and work. A Swedish expression is "lagom", which means neither too much nor too little. There should be enough for everyone, and no one should go without. Leisure time and flexible working are favoured (Tóth, 2017).

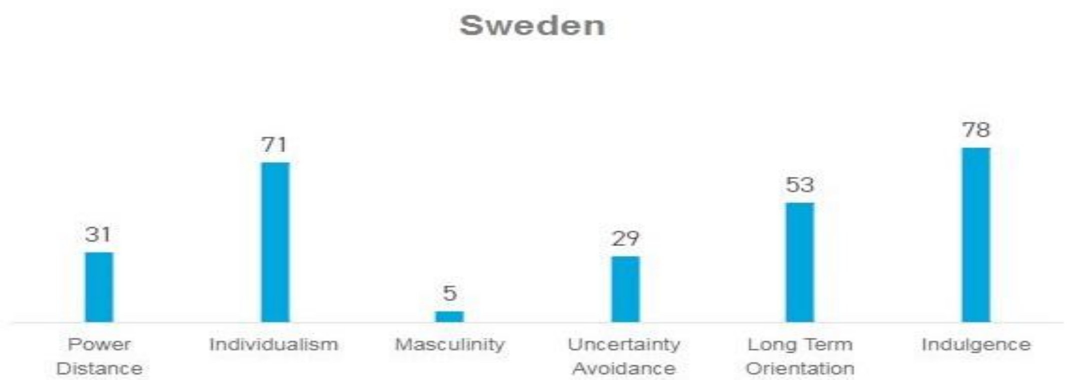

Figure 1 Sweden's Hofstede dimensions
Source: Hofstede insights

Based on the value of avoiding uncertainty, Swedes prefer practice to principle, no more rules than necessary for long-term orientation, they value the past and tradition. They are sceptical of change. On the last dimension, a high score indicates a positive attitude, they are optimistic. Leisure and enjoyment are very important. In this sense, the Swedes are characterised by their uninhibited nature, propensity to express their emotions, inclination towards recreation and enjoyment of life. They adopt a positive outlook on life, consistently striving for optimism. They place significant value on leisure time, during which they are at liberty to behave and act as they choose (Hofstede-insights.com).

Based on World Values Survey

The World Values Survey is an international research programme that has examined the social, economic, political, religious and cultural values of different countries in several waves. The programme covers a wide range of fields including health, economics, sociology, political science and demography. The programme was founded and is directed by Professor Ronald Inglehart. It is one of the most widely used international and time-based surveys. The most recent wave, the seventh, began in 2017 and ended in December 2021.

More than 129,000 people have completed the surveys. The latest survey was completed by 1,198 Swedish respondents and showed that the majority are satisfied with their lives, trust people, family and work are important to them, people they don't know or meet for the first time are suspicious, religion is not important to them, tolerance and respect for other people are important factors (worldvaluessurvey.org).

Based on GLOBE

Figure 2 shows Sweden through the dimensions of the GLOBE. The survey is the most comprehensive model of corporate culture research that also explores the characteristics of a country's national culture.

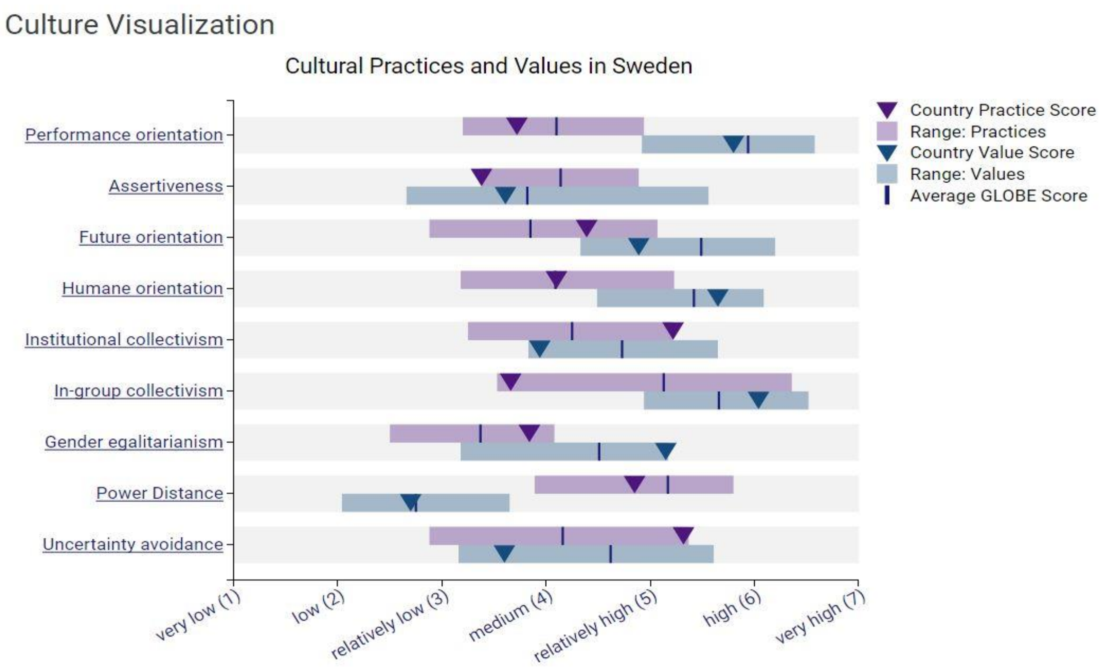

***Figure 2** Sweden's GLOBE dimensions*
Source: http://globeproject.com/results/countries/SWE?menu=list

The research was conducted using nine cultural dimensions: power distance, uncertainty avoidance/tolerance, organisational/institutional collectivism, small community/group collectivism, gender egalitarianism, assertiveness, performance orientation, future orientation, human orientation. The scores were measured on a seven-point scale.

Power distance is a measure of the extent to which members of an organisation or society expect and accept an unequal distribution of power. Sweden is a society with a low power distance. People here prefer a resourceful, democratic, delegating approach to management and demand partnership and accessibility from management. They prefer less centralisation of authority. They are less accepting of higher levels of dependency and inequality and therefore seek to minimise them. They seek solidarity, leaders with power try not to abuse it, not to flaunt it, not to appear less powerful than they are. Change is continuous, temporary, not leapfrogging.

Uncertainty avoidance/tolerance measures the extent to which members of society try to avoid uncertainty. In Sweden, this measure is high (5.32), which means that people are less tolerant of uncertainty, but like predictability, order, rules and systems that are easy to understand and transparent. They prefer only the necessary number of rules. They are less tolerant of expectations, risk-taking and change, and tend to be inflexible; they are uncertain in unfamiliar situations. They value planning and stability. Sweden is a culture that avoids uncertainty.

The dimension of organisational/institutional collectivism measures what a country's population prefers and what motivates them: working alone or as part of a group, individual or collective responsibility. With a score of 5.22, Sweden can be described as a collective society where the individual is part of a strong, cohesive community that protects its members. It values cooperation and group harmony, as opposed to the love of independence found in individual cultures. We-who-are-conscious see working relationships as moral, family bonds.

Small community/group collectivism is the extent to which individuals express pride, loyalty and a sense of belonging within their organisation or family. Sweden, like low-value societies, has a different understanding of loyalty: family members and close friends do not have expectations of each other, nor do they perceive differential treatment of each other. Low value is characteristic of less collective societies in a more restricted environment.

The gender equality dimension shows the extent to which a given society accepts and minimises differences in gender roles, thereby promoting gender equality. According to the research, Sweden is one of the countries with the lowest gender equality score of 3.84. These societies are the most accepting of highly qualified women in decision-making positions. This result is in line with Hofstede's research, which also found that Swedish society is strongly feminine. Female cultures are more supportive, with a strong emphasis on the weak, modesty and moderation (lagom). Swedish society is relational, supportive and caring.

Assertiveness shows how assertive, confrontational and aggressive members of society are in their social relationships. Sweden has a lower assertiveness score (3.38) than the average (4.14), which means that they are more reserved, caring and concerned about the quality of life. They are less competitive, aggressive, assertive and do not impose themselves on others.

Achievement orientation is a measure of the extent to which a society encourages, stimulates and rewards group members to improve their performance. Sweden is not particularly achievement-oriented and is in the middle of the average range on this dimension. Neither initiative nor the need to perform is strongly developed in the culture. There is no expectation of satisfaction from work or of immersion and comfort in work.

Future orientation is a measure of the time horizon in which members of society plan, think and believe; the extent to which they are characterised by attitudes such as planning and investing in the future. While Hofstede's future orientation score for Sweden is considered average, GLOBE's research places the country in the above-average group. In other words, Sweden is a forward-looking society that invests in the future, in goods that can be consumed in the present in the hope of higher returns in the future.

Human orientation is defined as the extent to which members of society encourage and reward others to be just, fair, altruistic, friendly, generous, caring and kind.

Swedish society scores in the middle on this measure, although there is no doubt that it is one of the most tolerant and friendly nations in the world. They are not satisfied with the perceived score of 4.1 and would like to improve it by one and a half points to 5.65. Ignoring the score, Swedish society has the same values as countries with a high human orientation: a supportive, helpful and non-discriminatory society.

Based on Trompenaars's model

Trompenaars has studied the impact of culture on business. He has developed a model that compares cultures at the level of nations. His model identifies seven basic dimensions of culture along which cultures can be distinguished. These are: universalism-particularism, individualism-collectivism, neutral-emotional approach, specific-diffuse approach, acquired status-inherited status, sequential-synchronous time orientation, internal-external control.

Universalism-particularism: The universalist view implies the binding nature of rights and duties for all, while the particularist view says that rights and duties should be applied in the relational system of human relationships. The Swedish culture is more universalistic, they are orderly and law-abiding, and their human relationships are less likely to guide or influence their behaviour.

The individualism-collectivism dimension describes the relationship between the individual and the group, whether they see themselves as individuals or as a group. Swedish society is individualistic: its members are responsible for looking after themselves. A loose social framework is preferred, in which everyone is responsible for themselves. Self-reliance and self-centredness prevail. Conflicts and problems are solved by compromise and negotiation. Thus, the individualistic society favours the individual, the self, over the group, the community.

The neutral-emotional approach looks at how acceptable it is in a given culture to express emotions in public. Sweden is a neutral society, which means that calm, cool behaviour is preferred and practised. In business relationships there is no room for open expression of emotions, and a poker face is almost mandatory.

The dimension of specific-diffuse relationships is closely related to the previous one, i.e. the extent to which individuals separate different aspects of their lives, the extent to which they allow work into their private lives. Sweden can be considered specific in this respect, as it is neutral in the previous pair of aspects. The culture is characterised by the negligible importance of personal relationships in business relationships, with no other type of relationship between business partners than a working relationship being very unlikely. Successful business does not require sympathy from either party.

Acquired status - inherited status examines what a person's recognition depends on: an individual's performance, relational capital, age, gender, social class.

Swedish society is more meritocratic because it is important what the employee has learned, where he has learned it, what he has achieved, what values he can contribute to the success of the company. It doesn't matter who is who. A factor of many orders of magnitude is the physical ability and appearance of the employee. Promotion is based on merit alone. (However, in a country where the centuries-old royal tradition is still alive, there is also status by title, by surname).

Sequential-synchronous time orientation reflects a culture's relationship to working time, refers to the scheduling of work. Sweden tends to belong to cultures with a sequential time orientation, where events follow each other in a linear order in a culturally defined sequence. They are concerned with deadlines, punctuality, concentrating on one task at a time and time management. They do not tolerate delays or unexpected events.

The external-internal orientation examines how one relates to nature and tries to show the general view of the world. An external orientation is a culture in which people see themselves as part of nature and try to live in harmony with it. It is assumed that there is something higher that has ordered the world as it is today. These cultures place great emphasis on creating inner balance, ensuring external stability and finding overall harmony with the environment. We consider countries where people are more internally driven, where they feel superior to the environment, where they try to control nature, to keep it within limits, to be internally driven. Swedish society is more internally driven because almost all their lives are regulated. But I think they are also internally driven because they are a people close to nature, whose ancestors still live a nomadic lifestyle. The Swedes are at the forefront of environmental protection, and the choices they make to protect themselves do not regulate and control their environment, but their own behaviour, which is a vote for peaceful coexistence with nature.

Based on Lewis's model

In Lewis' classification three categories of communication skills can be distinguished: multi-acting, linear-acting and reactive. The Scandinavian countries, including Sweden, are typically classified as linear-active, indicating that their people tend to adopt a more reserved and composed demeanor in international communication. They are characterised by concentrating on one thing at a time and doing it within a certain time frame, which they believe is the only way to be effective. As in Swedish society, managers work with employees based on democratic principles. This has ancient cultural roots. The Vikings, in the tradition of lagom, passed the drinking horn around and everyone decided how much to drink, not too little to cause contempt and not too much to give to others. Swedes are popular around the world, especially among native English speakers, as clean, honest, hard-working people.

They speak impeccable English, and their most important values are honesty, equality, love of peace, respect for nature and modesty. From this perspective, the Swedish individual is considered to listen half of the time and speak the other half, and their deliberateness means that they perform their tasks sequentially, in a manner consistent with the quality expected of them. They meticulously plan each activity, ensuring that workflow remains uninterrupted by unexpected events, and they prepare for every possible obstacle in advance.

Communication is characterised by a high level of courtesy, with interlocutors being allowed to speak without interruption, except when it is necessary to express a viewpoint or engage in debate. In such instances, rationality is employed to persuade others using reason. During negotiations, emotional expression is generally avoided, as it could place the individual at a disadvantage. In their discourse, they adhere to factual evidence, regarding the presentation of reality as paramount, and expressing disdain for what they term "alternative facts".

The Swedish people are a meritocratic society, in which individuals are judged by their achievements and strive to rise as high as possible in society. This can only be achieved through hard work, and non-verbal communication is not a characteristic of them. Rather, they try to convey the emotions and content that other people convey through gestures. Despite their reserved nature, they do exhibit emotions, albeit in limited circumstances, such as when experiencing impatience, most notably in queues, where they demonstrate a propensity to confront those who might take advantage of them.

Their universal nature is characterised by a propensity to adhere to the principles of bureaucracy and social rules, which is indicative of their rule-following tendency. A distinctive feature of the Swedish social landscape is the separation of their social and professional spheres, a striking attribute of a diffuse society. This is a deliberate strategy to ensure that these two aspects of life do not intersect, and to enable individuals to allocate time and attention to both domains in accordance with their perceived importance in their daily lives (Lewis, 2018).

4.3 Other characteristics of Swedish culture

Increasing immigration has prompted Swedish leaders to introduce reforms in education. Education has an important role to play in providing basic human rights while respecting democratic values. Immigrants have the right to choose the extent to which they identify with Swedish culture. It is important that the Swedish language is taught in institutions in a well-organised way (Rudnák et al., 2022). Swedish students must learn to help and integrate immigrants. A regulation from 1973 states that immigrants should be given the opportunity to talk about their own culture. It is important to learn Swedish, but also to cultivate one's own language. In the 1990s, the previous educational policy took a new direction: the legislation listed the educational objectives but left it to the teachers to develop the content of the education (Rudnák & Mészáros, 2018).

New objectives and guidelines emerged, based on a multicultural approach. The majority society is taken for granted and children are educated to be open, helpful and curious about other cultures (Brantefors, 2015).

A study of Arab, Kurdish and Somali parents living in central Sweden in 2019-2020 looked at integration and problems. All the parents agreed that it was important and essential for their children to learn Swedish and be familiar with the culture. In most cases, the problem was that the children learned Swedish very quickly and perfectly, while the parents, with a lot of effort, learned it much more slowly and with more difficulty (Shu et al, 2020). The children helped the parents, and this caused a lot of tension in the families. The adults were unable to help the children with their schoolwork and communication was difficult, for example they could not attend parent-teacher meetings or school events. The results of the interviews clearly reflected that language acquisition is essential, a key to accessing social networks (Garamvölgyi & Rudnák, 2023). Parents also stressed the importance of maintaining their own culture and language, keeping in touch with relatives and friends back home, and involving their children in local events. Living in two cultures led to a variety of experiences (Västhagen et al., 2022).

In Sweden, kindergarten is not compulsory, but pre-school education is compulsory from the age of 6. Primary school is divided into three parts – lower, middle and upper – and lasts nine years. Secondary education lasts from years 10 to 12 and students can choose from eighteen national curricula, all of which can be followed by higher education. All education from primary to tertiary level is free of charge, including meals, transport, programmes and textbooks. It is up to each family to decide whether to send their children to private or public schools. Whatever they choose is free, and all children have equal rights under the law. The school not only teaches Swedish literature and history, but also places a strong emphasis on introducing students to other cultures (Rudnák et al.,2015).

In Sweden, the official language of the Swedish national minority, Meänkieli, is known to many Finnish Finns. It is the closest language to Finnish. There are no precise statistics on the number of speakers of Meänkieli, but it is estimated to be around 50-

70 thousand. The second language of the speakers of this language is Swedish, which is the dominant language. It is spoken mainly in northern Sweden and has a long process of becoming independent (Lőrincz, 2017).

There is an average of one teacher for every 12 pupils in Swedish primary education, and the country has 44 higher education institutions. Newcomers and Swedish-born students have the same right to education. Newcomers are assessed and placed in preparatory classes accordingly (Hamza et al., 2022). Education has received increased state support for the proper education of newcomers, a programme that runs from 2017 to 2025. The programme has provided a few professional conferences and training courses for those involved in education (Bunar, 2017).

Both the number of marriages and the birth rate are low, although this has improved in recent years. Both parents are involved in raising children - fathers stay at home as much as mothers, known as shared parental leave. Fathers stay at home with their children for at least 3 months, during which time they receive 80% of their salary (Nordston, 2010).

Voluntary work has a long tradition in Sweden. It is a commitment that comes from identifying with the values of an organisation or group. In Swedish culture, civil society plays an important role not only for people in need, but also in supporting people's self-organisation. The welfare state model creates security for people, who do not have to worry about basic needs, leaving energy for the activities of social organisations and associations that bring together social or cultural programmes. These can be school, church or leisure activities that appeal to the target group, where people with similar interests like to work together for the common good.

Studies have shown that an increase in paid hours is at the expense of volunteering. Increasing life expectancy also has an impact on the amount of social work. Retirement has a positive effect on the promotion of volunteering. Sweden, like other western countries, has experienced several changes, including changes in family structures. The number of single-person households is increasing. Women are having children later and the population is ageing (Henriksen et al., 2018).

The concept of the welfare state is most understood as the distribution of wealth and income to people on equal terms and the provision of social services, the caring role of the state. The state's role is to ensure access to food, housing, clothing, education and health care. According to the European Social Survey 2018, Swedes are satisfied with the state's provision of health care. More than 80% agree that the state also has a responsibility to care for the elderly and support the unemployed (Herke & Medgyesi, 2020; Çuhadar & Rudnak, 2022 a,b).

5 Conclusion

The Scandinavian country has been the subject of extensive scrutiny by researchers utilising classical cultural research models. Initially, the Hofstedean dimensions were analysed, revealing a conspicuously elevated level of what are termed women's values in Sweden. This is characterised by a predominantly contented and happy lifestyle, accompanied by minimal detachment from power.

The country's independence is of paramount importance, with the hierarchy serving merely as a symbolic representation. Efforts are made to ensure that all individuals possess equal rights. Power is decentralised, with managers depending on the experience of their employees and expecting them to consult with their superiors on a regular basis.

Communication is characterised by its directness, as evidenced by the practice of managers and their subordinates addressing each other by their first names in their interactions.

The ability to maintain equilibrium between professional obligations and personal commitments is a fundamental aspect of societal functioning in Sweden. Managers within this societal framework are committed to providing support to their subordinates across all facets of their roles, while also fostering inclusive decision-making processes that emphasise consensus. Employees uphold principles of equality, solidarity and quality working time as fundamental values. They demonstrate a proclivity for resolving conflicts through compromise and negotiation, a trait that is particularly pronounced among Swedes, who are renowned for their protracted negotiations. The Swedes' approach to work is marked by a 'happy medium', where they prioritise efficiency and quality, eschewing the tendency to overwork.

These factors contribute to the formation of a distinct cultural identity. These values are further reinforced by the GLOBE values. For those contemplating a relocation to Sweden, the Hofstedean and GLOBE dimensions offer substantial guidance, particularly for those who have previously encountered markedly divergent cultural characteristics.

The development of intercultural competence is of significant benefit to the daily lives of multicultural communities. However, the most crucial element is the prompt and effective management of these frictions to prevent their escalation into serious conflicts that benefit neither party.

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YUE LI – BOYUAN LI – ARTA KUCI

The Role of CQ for the Adaptation of International Students in Hungary

Abstract: The present study involved 198 international students studying and residing in Hungary. The study found that international students' language skills, the duration of their stay in Hungary and prior intercultural experiences had a significant impact on their intercultural adjustment. Multiple regression analysis was then employed to investigate the relationship between cultural intelligence and its four sub-dimensions (metacognitive, cognitive, motivational and behavioural) and intercultural adjustment and its five sub-dimensions (environmental adjustment, adjustment to everyday life, language adjustment, interactional adjustment and academic adjustment). The study found that cultural intelligence is a significant predictor of intercultural adjustment, and that psychological capital is a significant predictor of cultural intelligence. Furthermore, the study established that both individual psychological capital and social support from international students have an impact on intercultural adjustment. The study then discusses and proposes ways to promote intercultural adjustment of international students in terms of improving individual and external environment and psychological capital.

Keywords: cultural intelligence (CQ), positive psychological capital, university students, adaptation

1 Introduction

As international students in Hungary, we have found that students around us inevitably encounter barriers to cross-cultural adaptation during their studies and life in Hungary. In the contemporary global context of multicultural exchange, there is an increasing number of international students from all countries who are coming to Hungary to study. Every year, a significant number of international students come to Hungary to study higher education, and there is growing interest in the question of how these students adapt to a new culture (Rudnák et al., 2015). In the context of globalisation, intercultural competence is recognised as a significant predictor of the success of intercultural adaptation activities and is considered one of the most important competencies today.

The relevance of the chosen topic is therefore self-evident. It is well established that national cultures vary significantly in many respects due to differences in history, environment, geography, language, customs and religion, resulting in each nation possessing a unique cultural character and perspective (Yao et al., 2023).

The increasing interconnectedness of the global community, characterised by the frequent exchange of ideas and practices, has given rise to a growing recognition of the importance of intercultural competence. This is evidenced by the increasing focus on cultural adaptation in various contexts (Rudnák & Mészáros, 2018). The following section will explore the prevalence of cultural conflicts in everyday life, with a particular focus on the experiences of international students in Hungary. In the context of privacy, Westerners place significant emphasis on its protection and respect and tend to be averse to intrusive behaviours. Consequently, age, personal income, wealth, marital status, religious beliefs, political affiliations and the price of goods purchased are regarded as private (Hommadova, 2017). In contrast, Asians have a different sense of privacy, believing that individuals should belong to the collective and that togetherness is about solidarity and caring for each other. It is evident that Asians are often very willing to learn about the grief and pain of others, and the other party is also willing to be honest (Rudnák & Wu, 2020).

In different languages of the world, the same gesture can mean different things in different countries, and the same words can have different meanings (Rudnák et al., 2022b). The West, for example, proclaims the equality of all, emphasises the value of people, and promotes trust and honesty. Conversely, in China, the emphasis is on "respect for oneself and others" and the "middle way", and modesty is preached. Consequently, when someone compliments your beautiful dress, most Chinese people respond in the negative, while Westerners are more inclined to express gratitude (Yang et al., 2021).

The concept of time is subject to variation across different cultures, with distinct approaches to its definition, organisation and utilisation. In Hungary, for instance, visits are typically announced or arranged in advance, with discussions held to delineate the purpose, time, and place of the visit. Conversely, in China, time is perceived as a multi-directional custom, characterised by a high degree of discretion and flexibility in its utilisation, diverging significantly from the rigid time scheduling practices observed in Western cultures (Wu et al., 2021; Zhang et al., 2024).).

These examples highlight potential cultural conflicts in daily interactions between different cultural groups (Hamza et al., 2022). Such cultural differences can be attributed to variations in values, mindsets, and behavioural norms influenced by the individual's upbringing and education (Zhao, 1989). In the context of intercultural communication, cultural conflicts can lead to individuals adapting to the cultural norms of the host country, resulting in a process of cultural adaptation (Alshaabani & Rudnák, 2023).

The increasing interconnectedness of the global economy and the advancement of technology have led to a deepening of international exchanges and the establishment of global relationships, thereby transforming the world into a more interconnected entity. The influx of individuals seeking immigration, educational opportunities, commercial activities, and tourism in Hungary has been a subject of consistent fluctuation. This phenomenon underscores the growing importance of intercultural studies. It is evident that international students often encounter challenges in adjusting to their new environment (Rudnák & Szabó 2019). However, international students who have previously demonstrated academic excellence, strong interpersonal skills and adaptability in their home countries may encounter significant challenges when attempting to communicate, socialise and engage in academic activities in a new cultural environment. This phenomenon prompts a critical reflection on the factors that influence the intercultural adaptation of international students (Rudnák et al., 2022a).

The primary issue afflicting the international student experience pertains to the impediments encountered during cross-cultural adaptation. This phenomenon constitutes a significant concern for international students, host schools, and the Hungarian government (Wu & Rudnák, 2021).

Whilst many studies on the factors influencing intercultural adjustment are based on internal psychological and external environmental factors, this study introduces the concept of cultural intelligence to examine the impact of cultural intelligence on the intercultural adjustment of international students arriving in Hungary. Furthermore, it explores the impact of internal psychological and social support from the external environment on this process. The level of cultural intelligence exhibited by international students upon their arrival in Hungary exerts a significant influence on their adaptation to a foreign culture, exhibiting a close correlation with their physical and psychological well-being, as well as their organisational performance (Garamvölgyi, 2022).

Drawing upon theories related to intercultural adjustment, cultural intelligence, and positive psychological capital, this study employs a systematic literature review and empirical research method to investigate the impact of cultural intelligence on the intercultural adjustment of 198 international students currently engaged in academic pursuits in Hungary. The analysis employs a multifaceted approach, encompassing a systematic literature review and empirical research methods (Çuhadar & Rudnák, 2022a,b). The findings reveal that the international students' Chinese language proficiency, the duration of their stay in Hungary, and their prior intercultural experiences exert a substantial influence on their intercultural adjustment (Rudnák & Zhang, 2022).

Subsequently, the study employs multiple regression analysis to delve into the intricate relationship between cultural intelligence and its four sub-dimensions: metacognitive cultural intelligence, cognitive cultural intelligence, motivational cultural intelligence, and behavioural cultural intelligence.

It also explores the interplay between intercultural adjustment and its five sub-dimensions: environmental adjustment, adjustment to daily life, linguistic adjustment, interactional adjustment, and academic adjustment (Wu & Rudnák, 2020).

2 Literature Review

2.1 Cultural adaptation

Adaptation can be defined as a fundamental human purpose in life, representing a natural continuum of responses to environmental challenges (Yang, 2009). The definition of intercultural adaptation as commonly accepted and defined by Herskovits, et al. (1936) is not consistent with this understanding. Intercultural adaptation is defined as a change in one or both cultural patterns that occurs because of sustained, direct cultural contact between groups of individuals from different cultures. This definition underscores the reciprocal nature of intercultural adaptation (Wang, 2011). Intercultural adaptation is conceptualised as a continuous process of interaction, driven by the cultural ethos of the participating individuals. Consequently, cross-cultural adaptation is defined as a continuous interaction process between two cultural entities, representing a state of equilibrium and symbiosis between conflicting objectives through verbal and non-verbal interactions (Garamvölgyi, 2022).

Berry (2003) further elaborates on this, underscoring that cross-cultural adaptation is a process of cultural and psychological change following contact between cultures. The former involves alterations in an individual's customs, economic and political life, while the latter pertains to changes in an individual's attitude towards the social behaviour of the group with which they come into contact, among other cultural forms. The outcomes of cross-cultural adaptation are typically categorised into two levels: group and individual. At the group level, intercultural adaptation leads to alterations in social structures and institutions, while at the individual level, it is primarily evident in changes in specific behaviour and attitudes.

The transition from one cultural space to another, which is completely different in nature, is evidently not a matter of income. Rather, it is a complex, gradual and protracted process that can be divided into various stages. Lysgard (1955) divides the acculturation process into three stages, while Oberg (1960) proposes a relatively complete U-shaped curve model based on this, with four stages. Gullahorn & Gullahorn (1963) further extended the U-shaped curve model to a W-shaped curve model to represent the process of reintegration into the original culture following the return of the resident.

The U-curve model, which was introduced and widely disseminated by Oberg (1960), posits that the process by which an individual with an established cultural pattern adapts to another culture is inherently arduous and characterised by numerous fluctuations, necessitating a considerable degree of effort to adapt to the novel cultural milieu.

The model delineates four distinct stages of emotional adjustment experienced by the acculturation: the honeymoon phase, characterised by anticipation and excitement prior to entering the unfamiliar cultural milieu; the crisis phase, which ensues upon initial immersion in the new cultural environment

This stage is characterised by the acculturation's prior knowledge of the new culture, which often leads to unrealistic expectations. Consequently, the acculturation experiences a period of grief, during which they adjust to the new cultural environment and realise that it is not as ideal as they had previously believed. Recovery is following a period of adjustment; the individual begins to comprehend the new environment and gradually develops strategies to cope with the cultural dissonance and recuperate from the emotional distress. Adaptation is over time, the individual becomes acquainted with the local culture and practices, fostering an appreciation for its distinctiveness and achieving a sense of social ease.

Gullahorn's (1963) W-curve model builds upon earlier research by Oberg (1960), particularly the U-curve model, and extends it to include individuals who have resided abroad for a significant period before returning to their country of origin. These individuals are theorised to have undergone a complete U-curve phase of adaptation, resulting in their integration into the local culture and customs. His theoretical framework encompasses eight distinct phases: honeymoon, crisis, recovery, adaptation, honeymoon, crisis, recovery and adaptation. The process of cross-cultural adaptation is illustrated in **Figure 1**.

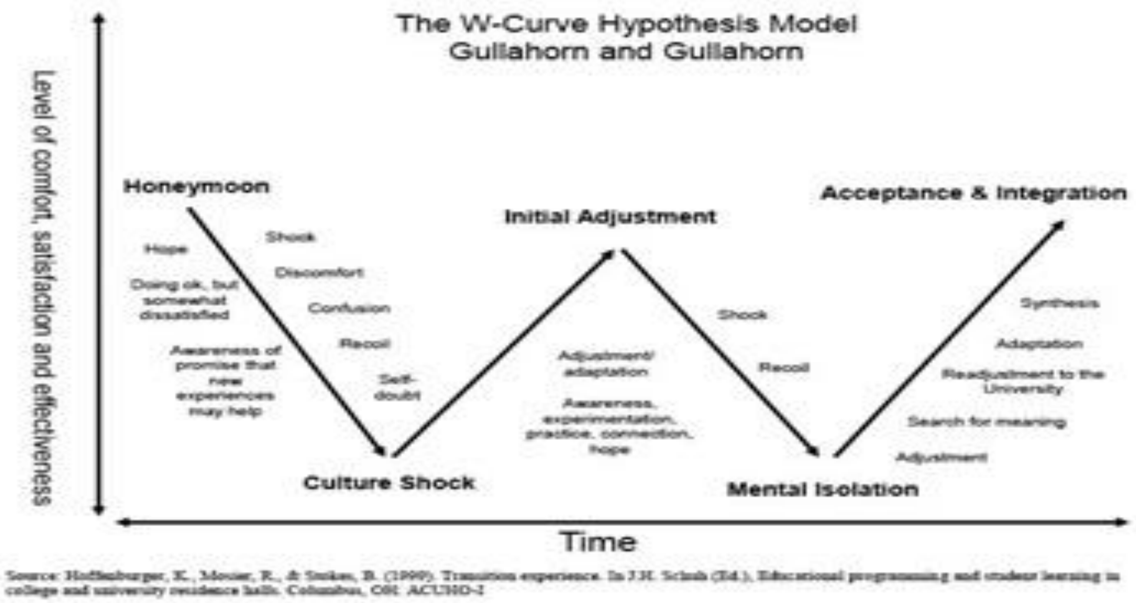

Figure 1 Phases of Cultural Adjustment

Intercultural adaptation and cultural socialisation are two discrete concepts. Intercultural adaptation focuses on the cultural aspect of actively or passively assimilating and absorbing the experiences, richness, rituals, etc. of the other side of the culture to maintain and ensure one's own development and activity within the group. Socialisation, on the other hand, emphasises the process of guiding, nurturing and influencing people through behavioural expectations and controlling the behaviour of those involved. Intercultural adaptation is also fundamentally different from cultural assimilation. The outcome of intercultural adaptation is uncertain and most often two-way, with both sides of the culture likely to change, whereas the outcome of cultural assimilation is a relatively certain one-way change, with only one of the two sides of the culture likely to change (Garamvölgyi & Rudnák, 2016b).

The scope of cross-cultural adaptation is therefore larger than that of cultural assimilation, which is only part of the process of cross-cultural adaptation. Cross-cultural adaptation is a specific process whereby an individual or group of individuals responding to external demands is confronted with a new socio-cultural environment that requires reprogramming, rearrangement and gradual adaptation, leading to a stable outcome of change. This adaptation does not guarantee an improvement in the relationship between the individual and their environment, nor does it ensure identification or acceptance of the environment. In fact, the individual may reject or attempt to modify the environment, illustrating the complexity of the adaptation process (Flannery et al., 2001).

Intercultural adaptation is defined by the ability to function, learn and thrive in a new environment. This demonstrates the diversity of interculturalism in long-term acculturation. Acculturation can be defined as cultural inclusion, representing the process of alteration of objects, customs and beliefs consequent to contact between societies with divergent cultural traditions. Cultural accommodation frequently assumes three forms: namely, acceptance, adaptation and resistance. According to the cross-cultural psychologist Berry (2003), in cultural accommodation, individuals utilise a range of behavioural changes and divergent cultural stress responses to achieve stable psychological and socio-cultural adjustment outcomes.

2.2 The concept of cultural intelligence (CQ)

In the field of cultural adaptation, scholars have proposed a novel conceptualisation. Rather than considering cultural adaptation as a process limited to the transition from one culture to another, as was previously theorised, this new perspective asserts that cultural adaptation should be regarded as a general ability of individuals (Garamvölgyi & Rudnák, 2016a). This argument is supported by studies such as those by Early & Ang (2003), who, based on several related studies, have proposed a definition of cultural intelligence as people's ability to gather and process information, make judgments, and take appropriate and effective actions to adapt to a new culture in a new context.

The seminal work of Earley & Mosakowski (2004) marked the inaugural introduction of the concept of cultural intelligence within the domain of the social sciences. The present study proposes a three-dimensional structure of cultural intelligence, comprising knowledge, awareness and behaviour, which are interrelated components of an integrated system that facilitates effective responses to diverse cultural contexts. In contrast, Earley et al. (2006) proposal of a four-dimensional model of cultural intelligence built upon the three-dimensional structure of cultural intelligence, incorporating metacognitive, cognitive, motivational, and behavioural dimensions. The initial two dimensions of this model can be collectively termed "mental cultural intelligence".

Earley et al. (2006) proposed a four-dimensional structure for cultural intelligence, building upon the three-dimensional model. They defined cultural intelligence as comprising four distinct elements: metacognitive cultural intelligence, cognitive cultural intelligence, motivational cultural intelligence, and behavioural cultural intelligence. Notably, metacognitive and cognitive cultural intelligence collectively fall under the umbrella of intellectual cultural intelligence (Garamvölgyi, 2022).

Metacognitive intelligence addresses the cognitive processes involved in the acquisition and comprehension of cultural knowledge, encompassing identification, and guides thought processes. It also encompasses the cognitive processing of material, planning, and investigation (Neto et al., 2021). Cognitive intelligence signifies the capacity of managers operating within a cross-cultural context to integrate cultural elements into business practices and communication, i.e. the extent of knowledge and awareness of the country. Metacognitive intelligence emphasises higher-level cognitive processes, while cognitive intelligence reflects knowledge of cultural systems, such as economic, legal, religious and social systems, as well as other cultural norms and values taught and experienced by individuals (Triandis, 2006).

Motivated cultural intelligence is defined as the ability to learn about different cultures and apply them in reality; that is, the determination to adapt to a given culture. In the absence of rational motivation, an individual may readily abandon previous plans when confronted with difficulties. Consequently, the motivational culture is also of significance (Templer et al., 2006).

Finally, behavioural intelligence refers to a person's specific behaviour, both verbal and non-verbal, which is necessary for effective intercultural interaction with people from different cultures (Ang et al., 2007).

2.3 Positive psychological capital

A plethora of studies conducted by experts in economics, investment and sociology have focused on and analysed economic capital, human capital and social capital.

Luthans et al. (2005), the President of the International Management Association, utilised the frameworks of positive psychology and positive organisational behaviour as a conceptual foundation for his work, thereby proposing the concept of 'positive psychological capital'. This concept emphasises the positive psychological strength of individuals.

The psychological capital he advocates refers to people's positive psychological states, which mainly include four aspects: confidence or self-efficacy, hope, optimism and resilience. The question then arises as to how psychological capital differs from human capital and social capital. Human capital is defined by the knowledge and skills that an individual possesses, which in turn makes them an asset to a company. Social capital, on the other hand, refers to the network of contacts and relationships one has, which can also influence one's employability.

Psychological capital, however, is more about an individual's inherent qualities and characteristics. It is concerned with an individual's self-efficacy, hope, optimism, and resilience. Do you possess the capacity for resilience, optimism, and adaptability in the face of challenges? The concept of psychological capital, although originating from management science, is intricately intertwined with the paradigm shift in psychological research during the 20th century. This shift centred on the exploration of psychological mechanisms and effective treatments for various ailments, including depression, anxiety, personality disorders, and mental illness. In recent decades, the positive psychology movement has prompted psychologists to methodically examine positive psychological phenomena, including resilience, forgiveness, gratitude, the emotional aspect of morality, and subjective well-being (Goldsmith et al., 1997).

Positive psychological resources are defined as psychological capital, which is characterised by its "potential" as a psychological state that is measurable, developable and manageable. In the corporate context, employees with robust psychological capital have been shown to exhibit enhanced performance and contribute positively to team dynamics. Consequently, there is an increasing emphasis among managers on the psychological capital of their employees.

The concept of positive psychological capital signifies a paradigm shift within the field of psychology, representing a novel milestone in the evolution of human society and an emerging scientific discipline that adopts a positive outlook on the subjects traditionally explored in psychology. It employs scientific principles and methodologies to examine well-being, advocating a positive psychological orientation.

Researchers posit that psychological capital exceeds the scope of human and social capital, emphasising the concept of "who you are" over "what or who you know. "Bill Gates asserts that his company's most significant asset is disseminated each night, signifying his recognition of the collective knowledge, skills and abilities of his employees as a distinctive capability that generates value and distinguishes Microsoft from its competitors.

Social capital, in this context, is defined as the resources encompassing trust, relationships, and networks. The concept of positive psychological capital, as understood by the researcher, encompasses four distinct competencies: trust, hope, optimism, and resilience (Betáková et al., 2021).

The concept of psychological capital encompasses four distinct states that contribute to its positive manifestation. These states represent fundamental psychological dimensions of the individual, each aligning with the criteria for favourable organisational behaviour. Specifically, these states are defined by characteristics such as positivity, uniqueness, measurability, malleability, and relevance to performance. The presence of these states is believed to foster higher performance outcomes.

According to Luthans et al. (2006), positive psychological capital consists of four dimensions: self-efficacy, hope, optimism, and resilience. These are all core psychological states of individuals that meet the criteria for positive, unique, measurable, developable, and performance-relevant organizational behaviour. (Luthans et al., 2004). These dimensions are the core psychological states of individuals, and all meet the criteria for positive, specific, measurable, developable and performance-related positive organisational behaviour.

- *Confidence* is defined as the motivation to achieve a goal and the belief that success is probable. Self-confidence is identified as being very important for positive psychological capital.
- *Hope* is defined as a positive mental state with goals and vision.
- *Optimism* is defined as follows: Optimism is a frequently used term, and Seligman's (2002) definition draws from attribution theory to explain two key dimensional aspects of the explanatory style of one good and one bad event: persistence and generalizability. Specifically, optimists interpret bad events as temporary, while pessimists interpret bad events as permanent. Conversely, positive events

are attributed with permanence by optimists ("I am talented") while pessimists attribute temporal realities ("I worked hard on this"). The concept of permanence is associated with the dimension of time, while universality is associated with the dimension of space (Luthans, 2002).

- *Resilience:* despite the primary focus of positive psychology being on child psychopathology, resilience has received minimal attention in the domain of organisational behaviour and HRM research. In the context of today's turbulent business environment, the ability to demonstrate resilience in the face of adversity and significant positive change assumes particular importance (Luthans et al., 2005). Initially, the concept of resilience was believed to be uncommon, but research findings indicate that it can stem from the "everyday magic of ordinary, disciplined human resources" and has "far-reaching implications for improving competence and capacity.

However, a substantial body of clinical and positive psychology theory, as well as extensive research, suggests that it can contribute to positive psychological capital in a manner analogous to the three conditions.

3 Methodology

This research employs a dual-pronged approach, integrating theoretical and empirical methodologies. Primarily, it explores the impact of the cultural intelligence level of Hungarian international students on their cross-cultural adjustment. Subsequently, it delves into the influence of international students' personal psychological capital and external social support on their cultural intelligence.

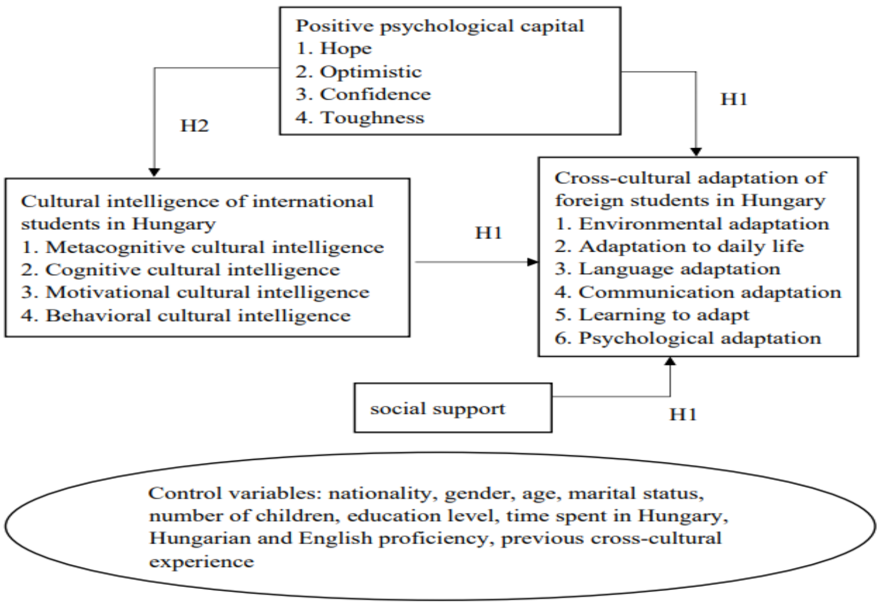

Figure 2 Research model

Source: Authors' own work

The investigation further explores the potential accelerator effect on the relationship with cross-cultural adjustment (Chen et al., 2021) and the mediating role of international students' psychological capital in shaping their cultural intelligence. The study commences with a comprehensive review of extant academic research, followed by a synthesis and summary of pertinent studies to delineate pivotal concepts such as cross-cultural adaptability, cultural intelligence, and psychological capital.

Secondly, the existing scale was revised and improved based on the definition of operability, and the questionnaire for the present study was designed. The collected data was analysed using SPSS analysis software. Finally, the research findings were summarised, and the research limitations and future research directions were identified.

Hypotheses

H1: Cultural intelligence has a significant effect on students' acculturation

- H1a: Cultural intelligence of international students in Hungary is positively related to their cross-cultural adjustment.
- H1b: The psychological capital of international students in Hungary is positively related to their cross-cultural adaptation.
- H1c: Social support of international students in Hungary is positively related to their intercultural adjustment.
- H1d: The dimensions of CQ (metacognitive, cognitive, motivational behavioral) and environmental adjustment are positively correlated.
- H1e: The dimensions of CQ (metacognitive, cognitive, motivational behavioral) and adaptation to everyday life are positively correlated.
- H1f: Positive correlations between the dimensions of CQ (metacognitive, cognitive, motivational behavioral) and language adaptation.
- H1g: The dimensions of CQ (metacognitive, cognitive, motivational behavioral) are positively correlated with adjustment to interaction.
- H1h: The dimensions of CQ (metacognitive, cognitive, motivational behavioral) and adaptation to learning were positively correlated.

H2: The psychological capital status of international students in Hungary is positively associated with cultural intelligence (Figure 1.)

Data collections and research sample

The instruments used in this study were: a questionnaire and SPSS 26 statistical analysis software. The questionnaire included basic information about the respondents, intercultural adaptation, cultural intelligence, psychological capital and social support.

The basic information includes nationality, gender, age, marital status, education level, language level, time spent in Hungary and previous intercultural experiences of international students studying in Hungary.

The intercultural adjustment status of the international students interviewed was based on the *Socio-Cultural Adjustment Scale* developed by Yang (2009).

The questionnaire was administered to international students from various universities studying in Hungary.

198 questionnaires were returned, with a rich sample of international students from different countries such as China, Vietnam, Azerbaijan, Turkey, Pakistan and Russia. Of these, 93 were male, or 47%. There were 105 females (53%), which is a roughly balanced ratio.

4 Results

Reliability encompasses the reliability of retesting, repetition, and internal consistency. For a unidimensional measurement, solely internal consistency can be evaluated, typically employing an alpha coefficient. SPSS is utilised to assess reliability, typically necessitating an alpha of 0.5.

To obtain a comprehensive representation of the respondents' responses to the questionnaire items, this study initially conducted a reliability analysis of the 198 completed questionnaires.

This study uses theories related to cross-cultural adaptation, cultural intelligence and positive psychological capital as the theoretical basis, and focuses on the influence of cultural intelligence on the cross-cultural adaptation of international students in Hungary, the moderating effect of social support on the relationship between cultural intelligence and cross-cultural adaptation, and the influence of the level of psychological capital on the level of cultural intelligence of international students. The research model and hypotheses of this paper were first proposed based on the results of the literature review; then, interviews and questionnaires were conducted with international students to test the proposed research hypotheses one by one through data analysis, and the test results are shown as follows:

- H1a:Cultural intelligence of international students in Hungary is significantly and positively related to their cross-cultural adaptation.
- H1b: There is a significant positive correlation between the psychological capital of international students in Hungary and their cross-cultural adaptation.
- H1c: There is a positive correlation between the social support of international students and their cross-cultural adjustment in all cases.
- H1d: Four of the dimensions of CQ had significant positive predictive regression effects on international students' environmental adjustment, with significant regression effects.
- H1e: Except for metacognitive CQ, all three dimensions had some predictive effect on daily life acculturation. Among them, motivational cultural intelligence had a significant positive predictive effect on international students' adaptation to everyday life.
- H1f: Only cognitive CQ had a significant positive predictive effect on international students' language adaptation.
- H1g: Four CQ dimensions were predictive of communicative adjustment, but metacognitive and motivational CQ were more significant predictors of international students' communicative adjustment.

- H1h: Only metacognitive cultural intelligence and motivational cultural intelligence had a significant positive predictive effect on international students' adjustment to learning.
- H2: The psychological capital status of international students in Hungary is highly significantly and positively correlated with cultural intelligence. Gender, age, marriage and educational level of international students do not influence the intercultural adjustment too much. International students' language level, time spent in Hungary and intercultural experience between arrivals significantly influence intercultural adjustment.

5 Discussion and Conclusion

The present study explores the influence of cultural intelligence, psychological capital and social support on the intercultural adaptation of international students. The results indicate that cultural intelligence exerts the most significant impact on this process, with higher metacognitive cultural intelligence leading to more thoughtful consideration of the rules underpinning various interactions during cross-cultural interactions. This, in turn, facilitates a deeper understanding of the context and environment of the host culture, thereby enhancing the ability to adapt to the environment and interactions. Furthermore, metacognitive cultural intelligence has been shown to significantly predict the academic adjustment of international students, suggesting that individuals with high metacognitive cultural intelligence possess enhanced strategic thinking abilities and consequently exhibit greater resilience in the face of academic stress. Higher cognitive cultural intelligence signifies that international students possess a comprehensive understanding of the economic, legal, cultural, and linguistic rules and customs of their new environment, thereby minimising confusion and enhancing their ability to adapt to the environment, both linguistically and psychologically. Furthermore, it has been demonstrated that the higher the motivational cultural intelligence of international students, the more interested they are in adapting to other cultures, the more willing they are to live in new environments, the more willing they are to interact with people and the more confident they are in adapting. Consequently, the better their environmental adaptation, daily life, interactions and psychological adaptation will obviously be. Moreover, psychological capital has a positive moderating effect on cultural intelligence (Rudnák et al., 2024).

The findings of the present study demonstrate that metacognitive and motivational cultural intelligence exert significant positive predictive effects on environmental adaptation, adaptation to everyday life, linguistic adaptation, interactional adaptation and learning adaptation.

The results further indicate that international students' language level, time spent in Hungary and intercultural experiences between arrivals have a considerable influence on intercultural adjustment (Yang, 2009). The issue of intercultural adaptation can be defined as the process by which individuals understand and respond to cultural diversity when they come into contact and interact with other cultures. This study has yielded a few recommendations, which are outlined below. The study examined possible interventions to promote intercultural adjustment among international students in Hungary. It made recommendations for individual international students and for the external environment.

Aspects of Cultural Intelligence

The level of cultural intelligence exhibited by international students has been demonstrated to exert a significant influence on the process of their acculturation. Students who demonstrate a low level of cultural intelligence may encounter a range of challenges and difficulties, and the social support they receive from their peers and mentors can play a crucial role in fostering a positive correlation between cultural intelligence and the successful adjustment of international students to their new environment (Garamvölgyi, 2022). To promote intercultural adjustment among international students, several measures can be taken at both the individual level and the external environment level (Garamvölgyi & Rudnák, 2024).

a) Individual level of international students

At the individual level, the cultural intelligence of international students can be developed and nurtured in various ways. Individual international students must possess a strong desire to learn and proactively seek opportunities to enhance their own cultural intelligence, and subsequently improve it as they adapt to the intercultural process (Thomas2006). Cognitive cultural intelligence is defined as the degree to which an individual comprehends the specific norms and customs of a different environment, and this is evidently a capability that can be cultivated through learning. The motivation to learn and understand these things needs to be increased by motivational cultural intelligence, which is the individual's drive and interest in adapting to different cultures. Finding appropriate ways to increase one's interest in learning across cultural differences in school or socially organised activities, and thus being better able to adapt to different cultures, can contribute to task completion and performance (Earley et al., 2006).

In the context of academic learning, international students are required to proactively adopt novel approaches to learning and to establish the optimal conditions for expeditious adaptation to these methods. They should endeavour to cultivate their independent learning and collaborative work skills, to reinforce the language of the course, to review the material in advance, to acquire vocabulary and to enhance classroom efficiency.

Post-class, students should summarise complex concepts to minimise disparities in classroom teaching due to language barriers. Furthermore, it is crucial to cultivate a robust sense of autonomy in learning, meticulously planning and organising learning time in a rational manner and identifying suitable learning methodologies to enhance the efficiency and quality of one's academic endeavours (Rudnák et al., 2024).

b) Level of the external environment

In the selection process for international students, educational institutions may employ cultural intelligence tests as a means of evaluating applicants' cultural intelligence levels and identifying those who possess both a high cultural intelligence and a positive psychological state, thereby ensuring optimal intercultural adaptation during their study abroad. It is imperative to emphasise that the cultural intelligence of these international students should be a continuous focus of attention through the provision of regular, appropriate training throughout their studies and lives. For instance, international students are provided with intercultural communication training to enhance their intercultural awareness and intercultural communication skills, to cultivate their attitude of understanding and respect for cultural differences, and to avoid conflicts of understanding and communication arising from differences in cultural background. Furthermore, the school may organise pre-school training for international students within a month of their arrival. The purpose of this training is to familiarise them with the facilities, systems, procedures and methods of their academic life and to prepare them psychologically for the difficulties they will encounter in later life (Garamvölgyi & Rudnák, 2023).

Furthermore, social support has been identified as a significant factor in the intercultural adaptation of international students (Ward & Kennedy, 1999). Social support can be defined as a relatively stable peer relationship between a certain number of individuals, and a positive perception of social support has been shown to reduce adjustment stress and contribute to physical and mental health and personal well-being. In fact, social support has been demonstrated to facilitate the integration of international students into the Hungarian culture and environment (Zhang & Rudnák, 2024).

To facilitate this process, the local government should organise regular cultural exhibitions and invite international students to learn about the culture. In addition, schools should provide comfortable living and learning conditions for international students and organise opportunities for them to interact with local students, such as recreational activities, such as dances.

Providing learning and training opportunities to help students better understand cultural differences and to develop individual cognitive and cultural intelligence will increase the likelihood of effective communication and thus contribute to harmony and development within the organisation. Furthermore, educators must address the adjustment of international students to their studies and life, providing them with support and guidance, thereby contributing to a more comfortable learning and living environment for international students.

Aspects of psychological capital

The development of positive psychological capital also affects an individual's cultural intelligence and has an impact on intercultural adaptation. Below are seven ways of self-love that you can practice, slowly and persistently, over time, to develop positive psychological capital.

- Invest in yourself: spend half an hour or an hour every morning or evening reading, listening or watching something that uplifts you, helps you understand yourself and the world, or helps you improve your life. And, if you can, put what you learn into practice in small ways.
- Learn to distinguish between facts and ideas when faced with internal or other people's criticism. Internal judgment is not always a good thing to say about yourself. People around you may attack you or try to step on you for their own ends. If you or others are doing this, ask yourself: What is the reason for such criticism?
- Lower your happiness threshold. People tend to record only the big, exciting moments in their lives, but capturing the ordinary, everyday experiences of our lives can bring unexpected joy later. When I say this to myself and remember it throughout the day, I feel more grateful. The food, the work, the weather, the people and all sorts of little things are no longer ordinary, but something that fills me with happiness. I also have a positive attitude towards different cultural situations.
- I have learned to let go of stress. If you have a lot of stress, learn to let it go. Exercise, listen to music, go shopping. Or talk to someone about something you are thinking about to get it out of your system. Take some time to nurture your body and mind to release tension and relieve stress.
- Mean days - take a small step in a positive direction. If your days are feeling mediocre or still a little down, take small steps towards some positive goals to add new excitement and optimism to each day and week. For example, find something new and exciting to do, start a new hobby, etc.
- Learn to embrace change. Life is full of changes, changes in our environment, changes in ourselves, changes in our friends. We must learn to accept change and learn to adapt. But we must remember to keep the original intention.
- Love ourselves.

As cultural intelligence, cross-cultural adaptation and psychological capital are all theoretical concepts, the relational variables that influence them cannot be measured with the same precision as mathematical concepts. Consequently, a multitude of other factors cannot be controlled for, resulting in bias in the analysis. Moreover, the findings are for the sample population and generalisations should be treated with great caution.

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ANDRÁS BARCZI – SENA USLU – ATTILA TAMÁS NAGY

Feedback as a Key Element in the Education and Workplace

Abstract: Feedback is defined as a form of communication in which one party provides the other with information regarding the efficacy, appropriateness, or correctness of an action. This feedback may be verbal or non-verbal and is designed to reinforce the individual who has completed the activity and to encourage them to continue to perform at the same level. The objective of our study is to examine this crucial instrument through a comprehensive review of the literature. Our findings indicate that positive feedback is a pivotal element in both educational and professional settings. It serves as a vital reflection of interdependence and a catalyst for enhancing motivation and performance. Additionally, it facilitates self-evaluation and improvement in performance. Furthermore, it fosters stronger relationships and elevated job satisfaction, bolsters self-confidence, and enhances the work environment. The objective is to underscore the significance of feedback through transparent, direct communication, acknowledging the efficacy of feedback through cutting-edge technological tools.

Keywords: feedback, workplace, education, management, relations

1 Introduction

The importance of feedback cannot be overstated; the manner in which it is provided, however, is of equal consequence. The advent of social platforms has precipitated a rise in the number of individuals offering unconsidered and evaluative commentary on a given topic or individual. This phenomenon has the potential to engender highly detrimental consequences. It is, therefore, imperative that we collectively endeavour to enhance our feedback culture, as well as other aspects of our lives, at both the individual and organisational levels.
This paper examines the role of feedback as a strategy for influencing behavioural outcomes.

Feedback facilitates the formation of behavioural effects, whether positive or negative, by establishing connections between past reasons and the actions that result from them (Abi-Esber et al., 2022). The definition of feedback can be a tool to achieve this. In the absence of accurate information on how to establish cognitive connections between reasons and results of previous reasons that stimulated the action, there is no opportunity for any kind of unexpected evaluation or awareness of subsequent behaviour outcomes. By evaluating cognitively, expectations, daily routines and behaviours can be affected (Cox et al., 2011).

The provision of both positive and negative feedback allows others to gain a comprehensive understanding of the impact of their actions, thereby facilitating the continuation of effective practices and the correction of ineffective ones (Su, 2015). The provision of feedback is intended to facilitate the enhancement of an individual's contribution and the cultivation of enhanced staff morale (Garamvölgyi & Rudnák, 2016a). Furthermore, it constitutes a pivotal aspect of the educational and training process, which, when conducted effectively, serves to motivate and facilitate the development of learners' knowledge, skills, and behaviours (Rudnák & Mészáros, 2018). It enables learners to optimise their potential and professional development at various stages of training, raise their awareness of their strengths and areas for improvement, and identify actions to be taken to enhance their performance (McKimm, 2009).

Feedback is an indispensable component of the educational process. It provides learners with a comparison of their performance to the educational goals they have set themselves, with the aim of helping them to achieve or even exceed those goals. Effective feedback is delivered in an appropriate setting, focuses on performance rather than the individual, is specific, is based on direct observation or objective data, is delivered using neutral, non-judgemental language and identifies actions or plans for improvement. For optimal outcomes, the sender and receiver of feedback must collaborate as allies (Turaga, 2017). Negative feedback can elicit an emotional response in the learner, which may impede the efficacy of the feedback due to the discrepancy between self-evaluation and external appraisal. Reflection can assist learners in processing negative feedback and enabling them to develop and implement improvement plans. Both delivering and receiving feedback are skills that can be enhanced through training. Teachers bear the responsibility of providing meaningful feedback to learners, and learners should anticipate feedback and seek it (Shartel, 2012).

In the context of the workplace, feedback represents an indispensable component for all members of an organisation's workforce. The act of providing feedback is one that is repeated on a regular basis by managers and supervisors. It involves communicating to individuals the expectations and goals that have been set, both those of the organisation and those of the individual.

Feedback is a valuable tool that can be used to indicate whether a person is progressing in the right direction or to redirect them if they are not. When providing feedback, the objective is to offer guidance by supplying information in a way that is useful to the recipient. This can be done in order to support effective behaviour or to guide someone back on track towards successful performance (Sarkany & Deitte, 2017).

Situations that necessitate the provision of constructive feedback include ongoing performance discussions, the delivery of detailed performance recommendations, the facilitation of follow-up sessions following coaching discussions, the imparting of corrective guidance, and the communication of the potential consequences of an individual's actions (Garamvölgyi & Rudnák, 2016b). Additionally, indications that constructive feedback is required include instances where an individual requests an evaluation of their performance, unresolved issues remain, errors recur, an employee's performance fails to meet expectations, and a peer's work habits are a source of concern (Finn et al., 2018).

2 Constructive Feedback in Education and Workplace

2.1 The importance of Feedback in Education

The provision of ongoing regular feedback from all stakeholders, coupled with encouragement for students to succeed and take on challenges, can facilitate increased engagement with their studies and the development of a growth mindset. This, in turn, can enhance achievement and facilitate the flourishing of talent (Messer et al., 2024). In the majority of cases, feedback tools for learning are linked to the public and operate at several levels related to assessment. These levels include pupil-student, student-group, group-group, and teacher feedback. Consequently, all parties involved are held equally responsible (Sembey et al., 2024).

The quality and frequency of feedback, as well as the identity of the individual providing it, are of paramount importance in influencing students' learning and the development of self-regulated learning (Cantillon & Easton, 2015).

Observations refer to what you can see or hear about an individual's behaviour, while inferences refer to the assumptions and interpretations you make from what you see or hear. Focus on what the person did and your reaction. Additionally, focus on behaviour rather than the person. Refer to what an individual does rather than on what you imagine she or he is. To focus on behaviour, use adverbs, which describe the action, rather than adjectives, which describe qualities (Kaleem & Salahuddin, 2007).

If you can't think of a constructive purpose for giving feedback, don't give it at all (Phillips, 2016). While giving a feedback, focus on description rather than judgment.

Describing behaviour is a way of reporting what has occurred while judging behaviour is an evaluation of what has occurred in terms of "right or wrong", or "good or bad". By avoiding evaluative language, you reduce the need for the individual to respond defensively (Steelman et al., 2004).

Moreover, in giving feedback, provide a balance of positive and negative feedback. If you consistently give only positive or negative feedback, people will distrust the feedback and it will become useless (Patocka et al., 2024). Likewise, you should always be aware of feedback overload. Select two or three important points you want to make an offer feedback on those points. If you overload an individual with feedback, she or he may become confused about what needs to be improved or changed (Tuvesson, & Borglin, 2014).

Whenever we are giving formal or informal feedback, should apply some basic principles which will help our feedback to be more effective. Feedback should be given when we are asked to do so or when our offer is accepted and as soon after the event as possible (Wu & Rudnák, (2021). The overall focus is on the positive and should be part of the overall communication process and developmental dialogue. To be effective it is important to develop rapport, mutual respect, and trust between you and the learner (Moss & Sanchez, 2004; Tuvesson & Borglin, 2014; Shuster et al., 2024).

The provision of constructive feedback is contingent upon the existence of clear and transparent assessment criteria that delineate the expectations of student performance.

When such criteria are absent, the learning process and the skills required to learn become opaque to students (Woitt et al., 2023).

2.2 The importance of Feedback in Workplace

It is inherent to the human condition for employees to seek to prove themselves to their employer. They wish to conform to the standards expected of them and to perform to the best of their ability. However, this can only be achieved if they receive regular feedback on their work. It is beneficial for employees to be aware of their shortcomings, to understand how their work affects others and the company, and to identify areas for improvement and mistakes that need to be corrected. Effective feedback both positive and negative is very helpful (Pearce & Porter, 1986). Feedback is valuable information that will be used to make important decisions. Top performing companies are top performing companies because they consistently search for ways to make their best even better (Foster & Taylor, 2016). For top performing companies 'continuous improvement' is not just a showy catchphrase. It's a true focus based on feedback from across the entire organization – customers, clients, employees, suppliers, vendors, and stakeholders (Macovei & Martinescu-Bădălan, 2022).

The capacity to provide and receive feedback is a skill that requires ongoing development and practice to ensure its effectiveness and efficiency. It is therefore recommended that the manager inquire of the employee during the feedback session how they felt during the communication and how they perceived the feedback technique. Top performing companies are not only good at accepting feedback, but they also deliberately ask for feedback. And they know that feedback is helpful only when it highlights weaknesses as well as strengths (Besieux, 2017). Azzam & Whyte (2018) highlighted benefits of effective feedback to the giver, the receiver, and the wider organization.

Feedback is a significant mechanism by which individuals retain power and this power dynamics well as the subjective nature of feedback itself (Rudnák & Szabó, 2019). The feedback effects reviewed are more likely in male-dominated organizations and in the context of masculine tasks both of which characterize many organizations. Hybrid approach to address the gender effects on feedback, involving both organizational accountability and change, as well as encouraging individual women to become careful consumers of feedback (Bear et.al 2017; Schulz & Wilder, 2022).

According to Darekar et al. (2016) feedback is always there. If you ask someone in your organization when feedback occurs, they will typically mention an employee survey, performance appraisal, or training evaluation. In actuality, feedback is around us all the time. Every time we speak to a person, employee, customer, vendor, etc., we communicate feedback. In actuality, it's impossible not to give feedback (London & Smither, 2002). We can say feedback is effective listening (Hamza et al., 2022).

Whether the feedback is done verbally or via a feedback survey, the person providing the feedback needs to know they have been understood (or received) and they need to know that their feedback provides some value. When conducting a survey, always explain why respondents' feedback is important and how their feedback will be used (Vukotich, 2014).

Furthermore, feedback can motivate. By asking for feedback, it can actually motivate employees to perform better (Thach, 2002). Employees like to feel valued and appreciate being asked to provide feedback that can help formulate business decisions (Alshaabani & Rudnák, 2023). And feedback from client, suppliers, vendors, and stakeholders can be used to motivate to build better working relations (Rogito & Makabe, 2023). Feedback can improve performance (Harvey & Green Jr, 2022). Feedback is often mistaken for criticism. In fact, what is viewed as negative criticism is actually constructive criticism and is the best kind of feedback that can help to formulate better decisions to improve and increase performance (Armstrong et al., 2000; Bracken et al., 2001).

Feedback is a tool for continued learning. Invest time in asking and learning about how others experience working with your organization. Continued feedback is important to the entire organization in order to remain aligned to goals, create strategies, develop products and services improvements, improve relationships, and much more. Continued learning is the key to improving (Kets de Vries et al. 2004; Çuhadar & Rudnak, 2022a,b).

Part of being an effective manager or supervisor is knowing what feedback to give. The trick is learning how to give it constructively so that it has some value. Constructive feedback is a tool that is used to build things up, not break things down. It lets the other person know that you are on their side (Manion, 2016).

Giving feedback constructively benefits everyone (Leung et al., 2001). You, as the manager or supervisor, use the ongoing exchange of information as a way of getting to know your people and providing them with valuable guidance in their work. The employee, manager, supervisor, or peer receives data that makes that makes her or his job go easier. The organization gains in improved productivity of its workforce (Atkinson et al., 2022).

2.3 Barriers to Effective Feedback

It is crucial to provide feedback, regardless of the method employed. Inappropriate evaluation techniques can often be more detrimental than no evaluation at all. Hesketh & Laidlaw (2002) identify a number of barriers to giving effective feedback in the context of medical education: firstly the that fear of upsetting the trainee or damaging the trainee–doctor relationship leads to ineffective feedback. In addition to this, they also found out that fear of doing more harm than good will lead to ineffective feedback (Clynes & Raftery, 2008). The act of providing feedback can be a delicate matter for both parties involved. The manner in which the feedback is communicated, and the subsequent reaction of the recipient can have a significant impact on the outcome. If such a situation is not handled effectively by either party, it can potentially lead to conflict. Therefore, it is crucial to consider not only the verbal manner in which feedback is given, but also the emotional and environmental context in which it is provided.

Besides, lacks respect for the source of feedback is one of the barriers. The trainee being resistant or defensive when receiving criticism. If they become more defensive of their character, the feedback will be as good as useless (Ingram et al., 2013). Feedback being too generalized and not related to specific facts or observations is also a barrier to effective feedback. Moreover, feedback not giving guidance as to how to rectify behaviour or how to make change happen lacks power on its' effectiveness. Finally, inconsistent feedback from multiple sources is a source of confusion and therefore it's a barrier to effective feedback.

It is also important to consider that individuals possess distinct personalities. While some may be more amenable to feedback on their work, others may perceive it as detrimental. Consequently, the manner in which the manager communicates, the vocabulary and tone of voice employed, and the non-verbal cues conveyed, are also significant factors.

3 Conclusion

The human brain is comprised of billions of active neurons that collectively form an intricate information network. It is also noteworthy that humans are capable of reorganising neurons (i.e. reversing connections, terminating connections, establishing new connections) through experience. This process is fundamental to the concept of learning. To form connections between neurons (i.e. to learn), experiences, which are also known as inputs, are required. One such input is feedback. Feedback has a significant impact on learning, as it enables receivers to evaluate their performance against established standards and norms, thereby facilitating adaptation and correction of their responses.

However, members of generations X and Y have an explicit need for feedback to be provided in a timely manner. In their private lives, they can obtain this through social networking sites by seeking and receiving likes. However, in the workplace, it is often not so straightforward. They also require feedback on their performance with the same rapidity. If this is absent from the organisational culture, they may choose to leave within a short time. This does not imply that older individuals do not desire feedback; they have simply been socialised in different circumstances and are less vocal about it.

Being able to give effective feedback on performance in both formal and informal settings is one of the key skills of every trainer. Giving feedback can range from simple, informal questions and responses while working alongside a learner on a day-to-day basis through to giving written or verbal feedback through appraisal or examinations. However, the core principles are the same: a good relationship and dialogue help the learner receive messages appropriately and the feedback should be given so as to help the learner take informed action and responsibility for their future learning and development.

The trainer should ensure that the trainee understands how his or her performance differs from the standard and what can be improved to bring the performance closer to the standard. The trainee should then make a plan for improvement. This plan may involve changing a technique, practicing on a simulator, or reading about a technique in an endoscopy text. The trainer should demonstrate a commitment to helping the trainee improve by planning to observe the trainee again.

It is evident that the manager must guarantee the presence of a feedback system at all levels of the institution and integrate it into the corporate culture. Employees should be encouraged to recognise and acknowledge each other's performance. If this is achieved, the team will become self-motivated to work, thereby reducing the need for the manager to monitor this on a daily basis.

It is imperative that we learn to tolerate the negative aspects of any given situation and utilise them to our advantage. Constructive assistance can always yield valuable insights and knowledge that we can apply. It is evident that individuals do not learn from hypocritical praise that is not genuine.

Additionally, there are instances where feedback is neither constructive nor conducive to improvement. Such feedback is often hurtful and personal in nature. It is essential to acknowledge these instances and move on.

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ATTILA TAMÁS NAGY – MAYSSA LAHBIB – ANDRÁS BARCZI

Generation Y as Managers and their Preferred Leadership Styles

Abstract: The central theme of this study is the role of Generation Y in the workplace, with a particular focus on managerial positions. The entry of this generation into the labour market was challenging for older generations, as they broke many rules and interpreted them differently. Once in management positions, they also have different priorities than their predecessors. The present study will explore the characteristics of Generation Y, and the leadership roles and practices that characterise them. It will also emphasise the digital native trait, which is a core characteristic of this generation. In many cases, they are approaching solutions in terms of the latest technical implementation.

Keywords: millennials, workplace of the future, modern leadership

1 Introduction

The present study explores the leadership practices of Generation Y, with a particular focus on the approaches adopted by leaders in achieving the goals and mission of the organisation. The research finds that Generation Y leaders exhibit a strong preference for group over individualistic approaches, driven by a desire to achieve meaningful and fulfilling objectives (Putriastuti & Stasi, 2019). The study reveals a clear preference among Generation Y for roles that are mission-driven, recognising the value of their contributions beyond the workplace, and emphasising individual focus rather than group dynamics (Kaifi et al., 2012). The findings indicate a growing popularity of activities that motivate individuals to strive for greater purpose, underscoring a strong desire to achieve life purpose.

A company should set a goal that serves a larger, life-changing purpose than selling a product or service in the marketplace.

Leaders are expected to recognise each person as an individual, and companies are expected to address family issues. Modern businesses are embracing new ways of communicating (Lavuri, 2022).

The present generation of leaders from Generation Y is keen to establish an entirely distinct corporate culture from that which was previously established by their predecessors (De Hauw & De Vos, 2010). They have accumulated sufficient experience in the world of work to a) represent a company or a particular department with credibility and b) have a certain level of self-assurance regarding their knowledge. Nevertheless, many companies are electing to appoint relatively young managers to refresh the company culture.

The contemporary workplace environment has undergone significant transformations for Generation Y, who are already entering the labour market (Myers & Sadaghiani, 2010).

These changes are characterised by observable shifts in behaviour, outlook, expectations, trends, motivations, and other factors. In the context of a diverse workforce, it is imperative for businesses to consider leadership styles as a crucial factor in their strategic planning. The study aims to identify the most effective leadership style for Generation Y, with a focus on its impact on company culture and the retention and development of younger workers Putriastuti, B. C. K., & Stasi, A. (2019).

Delios et al. (2021) contends that contemporary organisations, in their embrace of evolution and a novel workforce, are seeking leadership styles that, while not deemed necessary or effective a decade prior, are now deemed essential. Companies seek to acquire knowledge about their prospective employees and the way these novel leadership styles can assist them. In the event of a transformation in the employee base and the workforce, it follows that management must evolve in tandem. It is paramount to comprehend the distinguishing characteristics of these new generations, particularly Generation Y. It is widely acknowledged that Generation Y is more inclined to voice discontent and challenge conventional practices (Deal et al., 2010).

Leadership styles can be defined as the various methods by which leaders interact with and manage their followers to achieve organisational goals (Hamza et al., 2022). These behavioural strategies are employed to motivate, inspire and guide subordinates, and leadership styles have been the focus of numerous research studies. The impact of leadership styles on the performance of companies, armies and individuals is significant, and as such the assessment and study of leadership styles is vital.

Research into leadership styles is pivotal to comprehending the intricate dynamics of leadership and how leaders can most effectively assist their teams to thrive. By researching leadership styles, leaders can cultivate inclusive and productive communication and engagement strategies with their team members of all ages, and with Generation Y currently constituting the most active workforce, it is imperative to study and research.

The focal point of this study is Generation Y. As they currently represent the largest generation in the labour market and will soon become the largest consumer group, researching Generation Y in the workplace is essential (Török, 2009).

Organisations can better serve millennial customers and better attract, retain and develop millennial workers by understanding their beliefs, attitudes and habits. The objectives of this study are therefore to analyse what Generation Y prefer in their managers, whether they want to be involved in the decision-making process, their communication style, their values and their preferred leadership styles.

2 Literature Review

2.1 Generation Y as Managers

Rather than focusing on hierarchical roles, Generation Y managers aim to create inclusive workplaces where all employees feel able to express their views and collaborate.

They can supervise a diverse range of employees and recognise the talents and skills of direct reports from different backgrounds, as they are deep generalists with broad knowledge of a wide range of subjects. This allows them to build strong and cohesive teams (Harjanto & Ningrum, 2019).

Their proficiency in diverse communication channels and rapid responsiveness, a consequence of their technological expertise, facilitates seamless management of constant communication. This generation is also characterised by its practice of providing constant feedback to teams and colleagues, reliance on online tools, and the eschewal of traditional annual appraisals (Török, 2011). Additionally, their familiarity with managing substantial data sets, a consequence of their status as digital natives, is a notable attribute (Lavuri, 2022).

Generation Y managers believe that younger workers can work alone, without any control, and that it has a more positive outcome if they discuss all problems and incidents with the company together, in effect creating a flat company culture (Valenti, 2019). To this end, Generation Xers tend to be even more inclined towards the need for control, and if performance is not up to expectations, they may even punish employees with fines or more severe sanctions (Bung, 2019).

The evaluation of team performance is increasingly driven by data outcomes, a trend that is further exacerbated by the increasing prevalence of contract and remote workers, who can easily measure a wide range of outcomes (Mansur et al., 2022). Finally, Generation Y leaders place a significant value on corporate culture and social responsibility, which has a substantial impact on their professional preferences. Consequently, to attract and retain young talent, it is imperative that companies emphasise their corporate culture and clearly communicate their mission (Kraus, 2017).

Generation Y members are aware of the necessity to develop and evolve, and they demonstrate a commitment to this process through their engagement in training and educational programmes, as well as leadership training and interactions with individuals from various helping professions, such as coaches and psychologists (Putriastuti & Stasi, 2019). They exhibit a willingness to address their shortcomings and implement changes when required. In contrast, Generation X members often perceive this as a more challenging aspect of personal development and may encounter difficulties in embracing change (Lavuri, 2022).

Generation Y has always been receptive to the concept of feedback, and thus they are cognisant of its role in the development of a robust workforce (Mansur et al., 2022). They engage in regular communication with employees, conducting quarterly or semi-annual reviews that encompass both positive and negative attributes, as well as acknowledgement of their contributions and openness to modification. In contrast, Generation Xers typically reserve feedback for instances of employee misperformance, with positive acknowledgement being less prevalent (Kraus, 2017).

It is fortunate, therefore, that members of Generation Y no longer subscribe to the belief that one is required to dedicate many of one's time to the workplace to achieve success. Indeed, there is a growing acceptance of the notion of home office, with some individuals even opting to establish such roles within the company itself (De Hauw &

De Vos, 2010). Furthermore, there is a strong emphasis on the importance of team members being able to enjoy leisure time and spend time with their families (Rudnák & Mészáros, 2018). It is also important to note that members of Generation Y do not wish to be burdened with company issues outside of working hours, although they are, naturally, available in the event of emergency situations. A preference for conventional working hours, typically from 8 am to 4 pm, persists among many Generation X employees, who also exhibit a willingness to work overtime, albeit not from home (Kraus, 2017). However, there is a gradual shift towards a more flexible approach to working hours, though most employees continue to prefer traditional working arrangements.

2.2 The Millenium Survey

The annual Millennium Survey is based on the responses of 7,900 young people with a university or college degree, mostly working full-time in the private sector and large companies. Launched in September 2016, the survey covers 30 countries, divided into two groups: emerging and mature market countries.

According to Kövesdy (2024) the survey found that Generation Y in emerging markets exhibited an expectation of attaining greater financial prosperity (71%) and contentment (62%) than their parents, a stark contrast to the attitudes observed in mature markets, where only 36% of Generation Y anticipated financial success beyond that of their parents, and a mere 31% expressed a desire to attain greater happiness.

The survey further revealed a propensity among Generation Y to exhibit a lack of support for divisive leaders or those who advocate radical changes, favouring instead incrementalist approaches.

They also expressed a preference for direct communication from leaders in both the business and political spheres. While they are influenced by passionate causes, they are able to identify with leaders who address not only the majority but also the excluded. Despite the apparent benefits of freelance or consulting work, and in line with the uncertain local and geopolitical context, almost two-thirds of Generation Y (65%) opt for full-time, fixed-term employment, and fewer plan to change jobs than in the previous survey. Only 7% of respondents indicated their intention to "leave in the near future" (a decline from 17% in the previous year), while the proportion of those intending to "leave in two years" decreased from 44% to 38% (although still notably high), and the proportion intending to "stay for more than five years" increased from 27% to 31%.

The findings of this study indicate that the provision of flexible working conditions, encompassing aspects such as working hours, roles, and geographical location, is a primary factor in fostering loyalty and enhancing performance within the workforce.

The prevailing concern that flexible working arrangements will be misused by employees to reduce productivity appears to be unwarranted. The survey results demonstrate a high level of trust among employees in their colleagues, with 73% expressing confidence in their colleagues' ability to use flexible working arrangements responsibly. Additionally, 78% of employees reported having the support and confidence of their line managers.

The dissemination of flexible working arrangements has undergone significant acceleration over the past decade, with the ongoing mechanisation of the workplace representing the most substantial threat. A survey reveals that 53% of Generation Y respondents express concerns that this development could result in workplaces becoming sterile and impersonal. Furthermore, 51% of respondents anticipate the necessity of undergoing retraining or acquiring new skills in their current field, while 44% foresee a decline in the demand for specific skills.

The sectors most affected by automation include manufacturing, technology, media and telecommunications, transport and energy. However, Generation Y, who are more connected to the virtual world and social media than their predecessors, also recognise significant opportunities in technological advances. A mere 15% of "super-connected" Generation Y believe they will experience a decline in employment opportunities, while 64% anticipate an increase in jobs created by automation.

Furthermore, Generation Y' optimism regarding the future of Generation Z, defined as individuals currently under the age of 18, is noteworthy. They express a strong conviction that this subsequent generation will possess advanced computing capabilities and demonstrate exceptional creativity in their thinking. Furthermore, a significant proportion of Generation Y, more than half in fact, believe that the emergence of Generation Z will have a beneficial effect on the prevailing work environment (Garingging et al., 2020). This perspective is particularly pronounced in emerging markets, where 70% of Generation Y hold this view, as opposed to 52% in mature markets.

2.3 Preferred Leadership Styles

Research into leadership styles is of pivotal importance in comprehending the intricate dynamics of leadership and how leaders can most efficaciously assist their teams in achieving success. Given the considerable impact leaders can exert on an organisation's performance, productivity and employee morale, research into leadership styles is also imperative when focusing on a particular generation with specific characteristics (Andert, 2011). By studying diverse leadership philosophies, researchers can more profoundly understand how leaders can inspire, influence and guide their teams towards achieving their goals. Research into leadership styles is pivotal for several reasons, including the effective leadership of diverse teams, the retention and engagement of employees and customers, and the understanding of each generation's most effective strategy for working with the (Mansor et al., 2017).

Leaders must be able to work with people from different backgrounds, experiences and perspectives (Çuhadar & Rudnak, 2022a,b). The study of leadership styles can assist leaders in cultivating inclusive and productive communication and engagement strategies with their team members of all ages (Alshaabani & Rudnák, 2023). As Generation Y currently constitute the most active workforce, it is imperative to study and research them (Kaleem et al., 2024).

According to Siangchokyoo et al. (2020). transformational leaders support and inspire their followers to work harder and more effectively towards a bigger vision to achieve the best possible performance. Transactional leaders inspire their followers by helping them to achieve their own professional goals (Mansor et al., 2017). Younger leaders are more likely to have adopted either a transactional or transformational leadership style, both of which can inspire employees. Older leaders were more likely to have an ineffective, passive-avoidant style (Siangchokyoo et al., 2020).

The study found that many younger managers were driven by professional ambition, while few of the older managers were (Garingging et al., 2020). These qualities encompass integrity, respect, honesty, the capacity for reflection on the moral and ethical ramifications of decisions, the ability to lead by example, and a vision for the future (Nazarian et al., 2017). The aspirations of Generation Y concerning their leaders include the pursuit of meaningful work, the establishment of a more balanced work-life environment, the provision of flexibility and creativity in their roles, and the demonstration of a forward-thinking, innovative spirit (Kaleem et al., 2024).

Cox (2016) emphasises the value of leaders who demonstrate active listening, highlighting the significance of personalised engagement with followers.

Sessa & Notari (2021) underscore the importance of leaders who demonstrate care and encouragement, aligning with the findings of Nelsey & Brownie (2012) that Generation Y place a high value on supportive characteristics in leaders. This includes showing appreciation for individual contributions, acting as a mentor or coach, and praise to boost morale (Nelsey & Brownie, 2012).

The importance of individual-centred leadership characteristics highlights Generation Y' desire for belonging, feedback, self-centredness and guidance (Sessa & Notari, 2021). Furthermore, the findings of Howe & Strauss (2000) emphasised that the millennial generation is risk averse and seeks protection from their leader, akin to a parental figure. These preferences suggest a predilection for leaders who prioritise the individual over the group or external factors. In contrast, characteristics that did not focus on the individual were deemed least important by the millennial generation. The contemporary workforce is characterised by the coexistence of four distinct generations, each with unique career development aspirations, work styles and technological skills. For instance, Baby Boomers demonstrate a preference for stable companies that provide defined structures and job roles, though their access to career development opportunities may be limited (Rahayu & Tridayanti, 2024).

In contrast, Generation Y and Generation Z exhibit a propensity to assume calculated risks and seek employment with a company that is underpinned by a tangible sense of purpose. According to Churchill (2018) members of Generation X frequently encounter challenges in their interactions with contemporary technological systems. Conversely, younger workers have developed a high level of proficiency in the utilisation of agile and DevOps methodologies to engage with customers, exhibiting a preference for instantaneous communication channels such as chat and text over email (Nazarian et al., 2017).

The contemporary workforce has become increasingly heterogeneous, characterised by the collaboration of suppliers, customers, partners, contractors, gig workers and cloud-based talent pools with employees. This constant change in the talent mix for projects can lead to significant challenges, including conflict and misunderstandings. However, leaders can mitigate these issues by promoting shared values such as purpose-driven missions, equal opportunity, idea-based meritocracies, and growth. As Irving et al. (2018) argues, generational gaps exist, but they are minor differences that have existed throughout history between younger and older workers and are not particularly related to the millennial generation (Mansor et al., 2017).

In relation to their learning preferences, Generation Y do exhibit distinct characteristics from previous generations. Their familiarity with digital technologies from an early age, through social media, video, and smartphones, has shaped their inclination towards on-the-go learning in digestible segments. They demonstrate a stronger retention of information from video content in comparison to text-based materials and exhibit a preference for hyperlinked content over a linear format (Kaleem et al., 2024).

Additionally, Generation Y place a strong emphasis on autonomy in their learning, seeking to record lessons according to their own schedule and accessing content from any location using mobile devices. In the context of leadership development, it is becoming evident that traditional training methods are no longer as effective for this demographic (Rahayu & Tridayanti, 2024).

2.4 The challenges of the future

According to Peters (2016) the qualities that constitute a good leader are subject to change over time. Historically, leaders were predominantly industrialists and governors; however, in more recent times, successful entrepreneurs such as Lee Iacocca, Richard Branson and Steve Jobs have garnered hero status. Conversely, there have also been leaders who have met with less success, including Kenneth Lay, Jeffrey Skilling, Dirk Scheringa and Victor Muller. Contemporary leaders, by contrast, have adopted a more modest demeanour, prioritising the pursuit of positive societal impact through organisations and institutions (Wu & Rudnák, 2021).

Factors influencing communication: According to Peters (2016), while effective communication skills have always been pivotal for leaders, their role is now subject to a shift in perspective. The focus has transitioned from the direction of others through power or charisma to the facilitation of collective and individual flourishing. Personal exposure, therefore, typically occurs in a supportive manner, in the service of the system. This requires a flexible ego from the leader, as well as self-awareness, reflective power and the ability to choose one's own perspective, especially in terms of positioning (Kaleem et al., 2024).

The interpersonal factor is characterised by a transition from autonomy to interconnectivity. The development and maintenance of interpersonal relationships in the future will necessitate leaders who adopt a systems approach (Peters, 2016). Historically, leaders primarily operated from their position, focusing on competitive autonomy, such as their ability to make acquisitions. However, in the future, leaders will need to emphasise relational qualities, understand and exploit social networks, and focus on building personal reputations through collaboration, loyalty and trustworthiness (Rudnák et al., 2015; Török, 2018).

This paradigm shift is known as connectivity, and it is associated with concepts such as connective leadership and network leadership, which have academic links. The focus is shifting from autonomy to connectivity, and leaders need to adopt a systems thinking approach to build and maintain successful relationships (Lavuri, 2022).

According to Herman et al. (2018) the beginning of the twenty-first century marked the start of the millennium of leadership.

The retirement of the baby boomer generation, changes in the way work is conducted, and poor organisational practices in identifying, selecting and developing talent have all contributed to the leadership deficit in the workplace. We are actively creating a new generation of leaders (Garingging et al., 2020).

However, there is still a lack of clarity regarding the availability of resources and knowledge necessary for the effective cultivation of leadership. Concurrently, Generation Y are poised to surpass baby boomers as the predominant workforce demographic. By 2025, Generation Y are projected to comprise 75% of the global workforce, increasingly assuming leadership roles (Kulkarni & Swapna, 2019).

Long (2017) has argued that the communication patterns of younger workers point the way to a more successful leadership approach. She contends that if one is unable to communicate effectively with one's team, then it is irrelevant how many years of seniority or experience one has; one must know how to communicate with each other. As a leader, one must be ready to take advantage of the rapid changes in corporate communication, many of which may not be obvious Mansur et al., 2022).

The older generation, who typically occupy leadership positions due to their years of experience, are particularly vulnerable to being left behind. They often fail to consider the implications of specific communication mediums or modes that Generation Y and younger workers intuitively understand (Kulkarni & Swapna, 2019).

These younger workers represent the largest and fastest-growing segment of the workforce. As digital natives, they possess an innate understanding of diverse communication styles. The impact of a manager's spontaneous praise, such as a "Great job!" or a "I like," on an employee's LinkedIn post is not equivalent to that of an internal congratulatory email. In some cases, a spontaneous tweet can be more persuasive than a meticulously crafted press release, particularly to specific audiences (Webber & Forster, 2018).

However, these differences also represent unique perspectives on the world and divergent norms of leadership and communication (Fries, 2018). The ability to navigate these spheres effectively is indicative of a caring leader and serves as a message in itself, rather than being a trivial skill. This is a crucial recognition for leaders, as the effort that goes into creating an engaging post on a pertinent platform demonstrates an awareness of the environment in which employees operate. This underscores the potential for enhancing various facets of the employer-employee relationship through the implementation of a streamlined communication approach (Garamvölgyi & Rudnák, 2016a).

Effective leadership is predicated on effective communication, which is considered an indispensable component of leadership and a pivotal factor in fostering the relationship between the manager and the employee (Nazarian et al., 2017). Trust, empathy and empowerment are also foundational elements for effective leadership (Rudnák & Szabó, 2019). The cultivation of trust necessitates leaders to communicate in an open, authentic and honest manner (Kulkarni & Swapna, 2019).

Flexibility and transparency engender trust and have the potential to enhance work performance. Empathy, defined as the ability to understand the perspectives and needs of others, is essential for effective leadership. Empathetic leadership involves the use of constructive criticism and the facilitation of team members towards achieving common goals (Garamvölgyi & Rudnák, 2016b).

Empowerment, defined as the process of granting individuals the autonomy to make decisions and act on their own initiative, is crucial for employee development, job satisfaction and the reduction of turnover. Effective communication is particularly important for younger generations, who have grown up in the age of social media and expect their concerns to be acknowledged and valued. It is incumbent upon leaders in the communications industry to understand the expectations of younger employees and adapt their management style accordingly (Kaleem et al., 2024).

The digital age has necessitated novel modes of communication and a distinct linguistic repertoire. Generation Y, who have been raised in a world characterised by significant technological advancement, have developed distinct communication needs (Lavuri, 2022). The prevalence of social media and instant messaging applications has led to a preference for expeditious, dynamic communication that is characterised by informality and visual elements, which differs from conventional methods Fries, 2018).

Furthermore, Generation Y place significant value on authenticity, transparency, and the establishment of meaningful connections. They demonstrate a clear preference for authentic and personalised communication methods over formal or scripted approaches (Rudnák et al., 2022). Furthermore, they exhibit a high level of comfort in utilising multiple forms of communication for maintaining connections with friends, family and colleagues, including video calls, group chats and social media platforms. (Kulkarni & Swapna, 2019).

To ensure effective communication and engagement, it is essential to adopt a novel approach that takes into account the specific needs and preferences of Generation Y (Mansur et al., 2022). This could entail the integration of visual and interactive communication methods, the incorporation of personalised and authentic messages, and the utilisation of contemporary digital tools and technologies for real-time engagement and collaboration (Rahayu & Tridayanti, 2024).

3 Conclusion

The focus on Generation Y is of paramount importance. Currently constituting the largest generation in the labour market, they will soon become the largest consumer group. Consequently, research on Generation Y in the workplace is essential. Organisations can better serve millennial customers and better attract, retain and develop millennial workers by understanding their beliefs, attitudes and habits.

Generation Y has different expectations and priorities for work than previous generations, which can make it difficult to attract and retain talent. Organisations can address these challenges by leveraging research to gain a deeper understanding of the values and preferences of Generation Y in the workplace, such as work-life balance, flexibility, and meaningful employment. Furthermore, organisations can cultivate a robust workplace culture by understanding and aligning with the values held by Gen Y members, who place significant importance on workplace culture and seek employers who share their beliefs.

Research can assist organisations in comprehending the values and preferences of Generation Y in a workplace culture and environment, enabling the creation of an atmosphere that is welcoming, encouraging, and stimulating. It is also important to note changing consumer trends: with Generation Y overtaking baby boomers as the largest consumer demographic, businesses looking to succeed need to understand their beliefs and interests (Karantfilovska, 2023).

Organisations can better target their products and services by conducting research to understand what motivates millennial consumers, such as sustainability, social responsibility and personalised experiences. Research into the Generation Y workplace is of particular importance, as it can assist companies in the attraction, retention and training of millennial employees, the fostering of a positive workplace culture and the adaptation to changing consumer preferences.

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DIÁNA ESZTER BUJDOSÓ – MAYSSA LAHBIB – KATINKA BAJKAI-TÓTH

Labour Market Shock in a Company: Lessons from Collective Redundancies

Abstract: Recent studies have indicated a global increase in redundancies, a phenomenon that has also been observed in Hungary. A notable proportion of these redundancies have been observed to involve questionable moral and legal considerations, with the phenomenon of 'humane redundancies' being reported as rare. The present study aims to contribute to the existing body of knowledge on this matter by providing a detailed account of the circumstances surrounding a recently announced mass redundancy. To this end, a comprehensive data set has been gathered through a combination of structured interviews and a questionnaire survey, followed by rigorous statistical analysis. Of the 421 respondents, 72% had been affected by the redundancy, with disappointment and anger being the most common emotional reactions. Of the redundancy measures, the most positive was the assessment of severance pay, while HR services and communication with senior management received the most critical ratings. The results suggest that the role of the line manager is key to the process and should be given particular attention.

Keywords: downsizing, severance pay, workplace atmosphere

1 Introduction

Collective redundancies can have a significant impact on both employees and company operations, while also influencing the economic environment and labour market. This type of restructuring is particularly challenging for companies, not only in terms of cost efficiency, but also in terms of managing the emotional reactions of employees and maintaining the motivation of those who are not affected by the mass redundancies (Stuart et al., 2021). When making decisions, companies are often confronted with the fact that short-term economic benefits can have negative long-term effects, for example through damage to corporate reputation, employee loyalty or productivity (Alshaabani & Rudnák, 2023; Török, 2009; 2011).

According to Jansson & Ottosson (2021) it has been posited that institutions and regulations within the labour market are formed through a process of conflict between two opposing interests. The preponderance of labour market regulations and public or occupational welfare schemes is thus interpreted as the outcome of employee and their organisations' victories (Borghouts–van de Pas et al., 2021).

The changes brought about by globalisation manifest in distinctive ways in each country, yet in numerous pivotal domains, most countries have undergone analogous transformations. These responses often materialise in the face of economic and social crises, which, when they occur, have the capacity to engender substantial changes for companies (Zhang & Rudnák, 2024; Yang et al., 2021; Yao et al., 2023).

Our study examines a group downsizing in a large German multinational company's manufacturing unit in Hungary, which provides a unique example of the use of ex-ante impact analysis and proactive measures. The case of the company highlights how a well-prepared and well-thought-out strategy can help minimise negative impacts while ensuring the long-term sustainability of the company.

The aim of the research is to show what tools and methods can be used to mitigate the consequences of collective redundancies and what lessons can be learned by other companies from the example of the company concerned. In the analysis, we will pay particular attention to the links between employee emotional reactions, loyalty and economic outcomes, and the role of ex-ante impact analyses and support programmes for the adoption of collective redundancy in the success of the process.

2 Literature review

2.1 Microeconomics and its interpretations

Microeconomics, as a fundamental element of economic theory, and microeconomic analysis as a decision-making tool, are usually taken into account when creating business projects, adapted in practice and accompanying planning decisions throughout the life cycle (Zhukova, 2024).

The standard introductory course in microeconomics presents a sophisticated toolkit for understanding the dynamics of markets, which are central to any modern society. Unfortunately, most textbooks do not adequately address, and often distort, the following six issues that are critical to students' understanding of economic society: the nature of work and its relationship to utility; social dependence in decision making; economic growth as the main goal of modern socio-economic systems; the overall importance of market externalities; the prevalence of market power and its impact on consumers; and the relationship between property rights and economic justice (Cauvel et al., 2024).

Microeconomics focuses primarily on the activity of individual economic units, including consumers, workers, investors, landowners and businesses, essentially all units that contribute to the functioning of the economy. Microeconomics focuses on the rationale behind the economic decisions made by these entities (Sitompul, 2023).

The main aim of microeconomics is therefore to establish rules for the efficient allocation of resources. To this end, it would not be possible to foresee all the decisions of every household and every firm and how they relate to market prices.

Rather, it is necessary to identify their preferences and their different options. The development of economics and economic concepts is closer to personal conception, everyday phenomena and logical thinking (Lartey, 2024).

3 Interpretations of cost-benefit analysis

Both cost-benefit analysis and economic impact analysis allow the economic impacts of projects to be assessed but using different methodological approaches and perspectives (Joseph et al., 2020).

Most cost-benefit analyses assume that estimates of costs and benefits are more or less accurate and unbiased. But what if the estimates are very imprecise and biased? Then it would be wrong to assume that cost-benefit analysis is a rational way to improve resource allocation. We use the largest such dataset to test the assumption that cost, and benefit estimates of public investment are accurate and unbiased (Flyvbjerg & Bester, 2021).

Outsourcing non-essential services such as cleaning, IT support, catering and security has become a popular strategy in healthcare for healthcare organisations that want to reduce costs and focus on patient care. The results show that outsourcing non-core services can lead to significant cost reductions - between 7% and 28% depending on the service - while also improving operational efficiency.

In particular, services such as cleaning and IT support benefit from outsourcing thanks to the specialised expertise of external service providers (Sugden, 2023). Outsourced services not only reduce internal operational burdens, but also help to allocate resources more rationally to core health functions, including patient care (Johnstone, 2024). However, the analysis also highlights a number of risks, such as loss of control over service quality and concerns about data security, particularly when IT services are outsourced. These challenges, if not properly addressed, have the potential to affect the reliability of healthcare operations (Karakolias, 2024).

In the context of international companies, the degree of cultural intelligence exhibited by those responsible for managing change has been shown to exert a positive influence on the subsequent adoption of new practices (Garamvölgyi & Rudnák, 2016a,b).

3.1 Hungarian legal background on the causes of termination of employment, the practice of dismissals and redundancies, and severance pay

The employer must give reasons for termination, which may be related to the employer's conduct, ability or functioning in relation to the employment relationship (Act I of 2012 on the Labour Code, § 66).

An employer may terminate the employment of an employee receiving rehabilitation benefits or a rehabilitation allowance by giving notice of termination justified by the employee's ability to perform the work for health reasons if the employee cannot be employed in his/her original job and cannot be offered a job suitable for the employee's health condition or the employee does not accept the offered job without good cause (I. I. 2012)

The employer may terminate the fixed-term employment relationship by notice of termination during the period of liquidation or bankruptcy proceedings or for reasons based on the employee's capacity or if the employment relationship becomes impossible to maintain due to an external cause beyond the employee's control (Act I of 2012 on the Labour Code, Section 66).

If the employer plans to implement collective redundancies, it must negotiate with the works council. In order to reach an agreement, the negotiations must include the possible ways, means, principles and means of avoiding collective redundancies, the means of mitigating their consequences and the reduction of the number of workers affected (Act I of 2012 on the Labour Code, Section 72).

The decision on the implementation of collective redundancies must specify the number of employees affected by the measure, broken down by occupational groups, and the starting and finishing dates or the timetable for the implementation of the collective redundancies (Act I of 2012 on the Labour Code, Section 73).

The employer must inform the public employment service in writing of its decision on collective redundancies at least 30 days before the notice of termination or the declaration of rights is given. In doing so, it shall provide the identification data, job title and qualifications of the employee affected by the reduction (Act I of 2012 on the Labour Code, Section 74).

An employee shall be entitled to severance pay if his employment is terminated by the employer's notice of termination or by the employer's termination without legal succession. The amount of severance pay shall be one month for at least three years, two months for at least five years, three months for at least ten years, four months for at least fifteen years, five months for at least twenty years and six months for at least twenty-five years.

The amount of severance pay shall be increased by one, two or three months' severance pay if the employee's employment is terminated within five years before the end of the period of service before the retirement age.

No severance pay is payable to an employee if he or she is deemed to be retired at the time of the notice of termination or of the employer's dissolution without legal succession, or if the reason for termination is the employee's conduct in connection with the employment relationship or his or her non-health-related incapacity (Act I of 2012 on the Labour Code, § 77).

4 Material and method

4.1 About the company

Headquartered in Düsseldorf, Germany, the company has more than 145 years of history and is organised into three global business units. Its portfolio includes well-known hair care products, detergents, fabric softeners as well as adhesives, sealants and functional coatings. The company is a global market leader in adhesives, and its consumer businesses in beauty care and laundry and home care are leading in a number of markets and categories. The company has been present in Hungary since 1987 as the first subsidiary in the Central and Eastern European region. Headquartered in

Budapest, Hungary, the company also operates two factories in the countryside, where the consumer brands business produces detergents and household cleaners and the adhesives technology plant produces multi-technology adhesives for industrial and residential use, for domestic and export markets.

In June 2024, the Consumer Brands business decided to restructure its Hungarian manufacturing operations as part of the European supply chain reorganisation, with the following timetable:

- 11 June: announcement of the cuts to senior managers,
- 12 June: the redundancies are announced to all workers,
- 13-20 June: trade union negotiations,
- 1 July - 30 August: mutual agreement signed, 140 workers and 240 contract workers dismissed,
- 1 September - 31 March: outsourcing of the production process, dismissal of 102 additional workers.

As a result of the reorganisation, the production of liquid detergents has been discontinued, and the final closure of the Hungarian plant is planned for the end of 2024. The decision was necessitated by changes in consumer demand, which led to a change in the company's portfolio and required an adjustment of the manufacturing activity, which in turn affected the product category of liquid detergents and cleaning products manufactured. In the Hungarian countryside, all 242 employees and a further 240 contract workers were affected.

The company offers a minimum of 12 months and a maximum of 60 months' release from work by mutual agreement, depending on the number of years of service, the number of children and other conditions.

This is a higher severance payment than required by the Hungarian Labour Act 2012/I./77, and higher than the amount of severance pay offered in the redundancy case that ended in September 2023, where a minimum of 2 months and a maximum of 12 months of severance pay equal to the basic salary was offered, depending on the number of years worked (Bujdosó & Rudnák, 2024).

The whole process of collective redundancies takes nine months from the date of notification.

4.2 Primary research

In my research, I conducted both qualitative and quantitative primary research.
During the qualitative research, I conducted an in-depth interview online with a senior manager of the HR team involved in the plan to implement the group redundancy.

The quantitative primary survey was a questionnaire survey, which I prepared using the Google Forms application (available in Google services) and distributed to the company's employees through various online platforms. The questionnaire was completed on a completely voluntary basis and did not collect any personally identifiable information.

When compiling the questionnaire, I took into account that the questions should follow a logical order that helps the respondent and facilitates the evaluation of the questionnaire. We have defined the questions to be answered mostly as multiple-choice options and by marking them on a scale of 1 to 5. The interpretation of the scale designation is that a value of 1 indicates a weaker option depending on the question, and a value of 5 indicates a strong, firm opinion on the question. At the end of the questionnaire, I added a free-response question, which I did not make compulsory.

The sample focused overwhelmingly on people who are currently or have not yet been affected by collective redundancies. The online availability of the form filling application was shared on the communication platforms used within the company.

The research phase started on 10 August 2024 and ended on 1 October 2024. The questionnaire consists of 28+1 questions, which took no more than ten minutes to complete. A total of 424 people completed the questionnaire, which was adjusted to 421 during data cleaning. I will first present the aggregated results and then draw the appropriate conclusions.

4.3 Methodology

I conducted a statistical analysis on a sample of 421 workers to investigate the effects of collective redundancies. I used the following methods and techniques to analyse the data.

Data was collected using a questionnaire method that included questions on demographic characteristics (gender, age, place of residence) and work environment (e.g. loyalty, evaluation of supportive actions to accept collective redundancies).

After cleaning the data, the sample was analysed using SPSS software.

Kolmogorov-Smirnov and Shapiro-Wilk tests were used to examine the distribution of variables. The results showed that the data did not follow a normal distribution, so I used non-parametric statistical methods.

The equality of variance between groups was tested using Levene's test. The results showed that the homogeneity of the groups was violated for some variables, which further justified the need to use non-parametric methods.

The relationships between the categories were examined using cross-tabulation analyses, Chi-square test, Phi value and Cramer's V value. The results show significant relationships between the emotional effects of group redundancies and demographic characteristics.

I used the Mann-Whitney U test to compare two groups (e.g. affected/not affected by collective redundancies), with a particular focus on assessing the effectiveness of measures taken to accept collective redundancies.

I used the Kruskal-Wallis test to compare several categories (e.g. career level). The analysis examined significant differences in loyalty between different career levels.

To explore the relationships between emotional reactions, loyalty and stages of acceptance, I used the Spearman correlation.

I have analysed the mean, the standard deviation, the skewness and the peak of the evaluation of the measures supporting the adoption (e.g. severance pay, senior management allowance).

5 Results

5.1 Responses to group redundancies: in-depth interview with senior management

The HR Director of the organisation in Budapest immediately accepted my invitation to an interview on Teams, the business communication platform developed as part of the Microsoft 365 product family, during which I was able to ask questions without any hesitation.

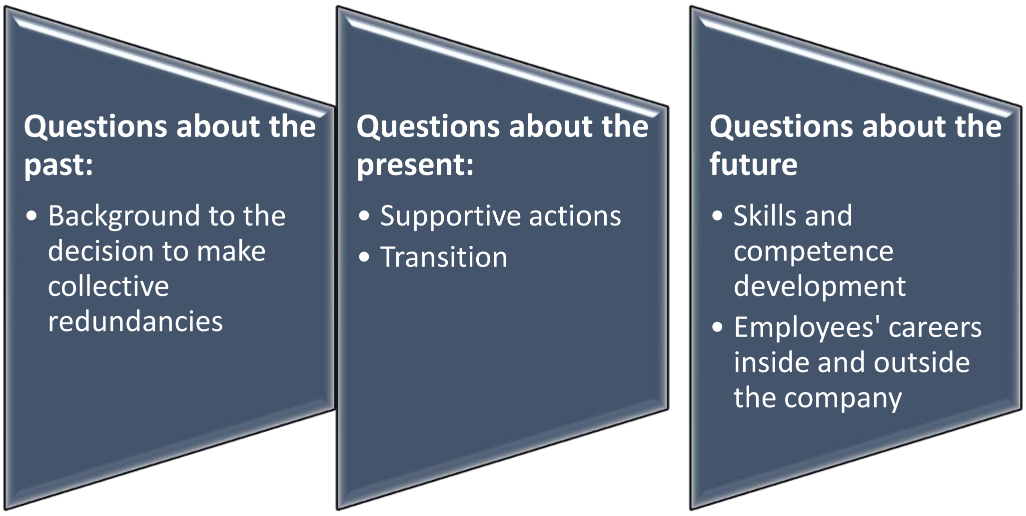

Figure 1 In-depth interview with senior managers

Source: Authors' own work

Typically, the interview was structured as a succession of guided questions and answers, formally semi-structured, which I have placed in **Figure 1**. We intended a 90-minute period with the director, as, although the main questions were based around the ongoing topic of group redundancies, I had to take into account the pace and comfort level of the individual (Bujdosó et al., 2024).

No audio or video recordings were made during the interview, which might give a more nuanced picture than my notes.

The closure of the company's rural factory was part of a strategic decision taken in 2020-2021 to consolidate its businesses. The decision was taken to streamline logistics systems, supply chain and sales processes. The preparation included a nine-month process of exploring alternative options and developing a cost calculation that was precedent-based, following the patterns of previous factory closures.

The cost-benefit analysis considered a number of factors that directly and indirectly affected the economic impact of the decision. One of the most important results of the factory closure was a significant reduction of 50% in labour costs, which the company achieved through lower labour requirements and relocated production capacity. In addition, the costs of maintaining the factory, including maintenance and operating expenses and inventory management costs, were eliminated.

The factory's logistics network, which was a significant cost in the delivery of products, was also restructured, resulting in further cost reductions.

The decision-makers also took into account the social and economic impacts, such as the negative consequences for the local community, as the factory's corporate tax generated 90% of the region's revenue. However, the company considered that closure was a necessary step for cost efficiency and long-term business sustainability.

The decision was supported by the company's flexibility in adapting its operational processes and by the fact that it had prepared in advance scenarios to deal with potential risks.

The factory, which involved 240 own workers, and a further 240 workers employed through service providers, played a significant role in the economic life of the local community. communication was well thought out, managers and partners were informed in advance and psychological support was provided.

Negotiations proceeded at a fast pace and an agreement was reached with the works council on the first formal day of negotiations.

The benefit package for workers was fair, taking into account length of service and family circumstances, and provided for up to 60 months of time off work.

The company carried out thorough preparations before the redundancies, which consisted of the following elements:

1. Industry benchmarking:
   - Analysis of the experiences of companies in similar situations,
   - Use the results to reduce potential risks.
2. Employee surveys:
   - To assess the emotional state and preferences of employees through a questionnaire survey.
3. Use of external consultants:
   - Taking advice from HR and behavioural experts.
4. Develop preliminary scenarios:
   - Create optimistic, pessimistic and plausible scenarios to model the impact of redundancies.

5.2 Responses to collective redundancies: employee questionnaire

The questionnaire survey analysed the responses of 421 workers directly or indirectly affected by the collective redundancies. The questionnaire aimed to explore the emotional reactions of employees, the effectiveness of the measures taken to accept the redundancy and their loyalty to the company. The results also examine the impact of downsizing by demographic characteristics, which are presented in **Table 1.**

The gender breakdown of the respondents was 46.5% male and 53.5% female. The average age of all respondents is 39.35, with a minimum age of 19 and a maximum age of 65, and 71.2% of them are affected by collective redundancies.

Table 1 Distribution of respondents by demographic characteristics (n = 421)

		Number of years at work						
Gender	**Are you affected by redundancies?**	**Less than 1 year**	**1-2 years**	**2-4 years**	**5-7 years**	**8-10 years**	**More than 10 years**	**Total**
Male	Total	8	25	48	30	23	60	194
	Yes	3	21	41	19	18	50	152
	No	5	4	7	11	5	10	42
Female	Total	15	42	50	45	30	45	227
	Yes	4	27	29	33	21	34	148
	No	11	15	21	12	9	11	79
Total		23	67	98	75	53	105	421

Source: Authors' own work

According to the distribution of the respondents by place of residence, 33% (n = 138) live in Békés, 9% (n = 38) in Csongrád-Csanád, 8% (n = 33) in Budapest, 7-7% (n = 28-29) in Bács-Kiskun and Hajdú-Bihar counties, as shown in **Figure 2.**

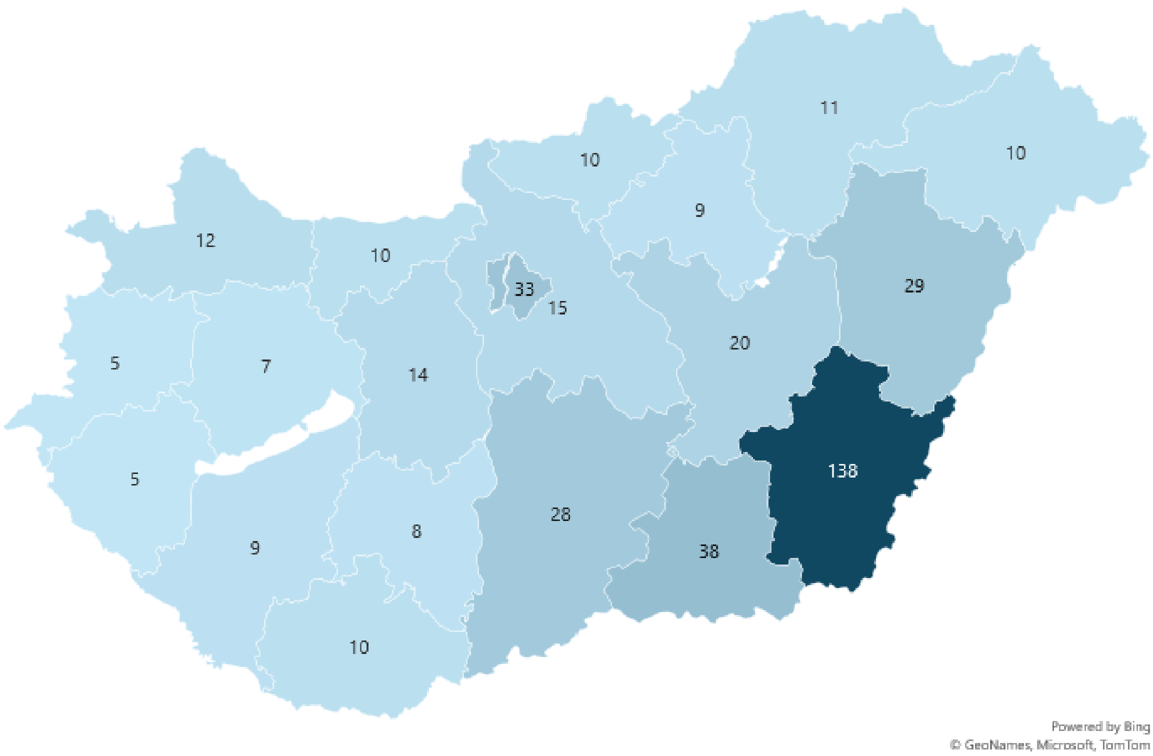

Figure 2 Distribution of respondents by place of residence (n = 421)

Source: Authors' own work

Analysis of the data showed that the most common emotional reactions among workers affected by redundancies were disappointment and anger, while non-affected workers more often reported moderate or more positive emotions.

This difference was found to be significant ($\chi^2(2) = 9.843$, $p = 0.043$). The analysis of emotional reactions also showed that workers' emotional processing had a direct impact on the utility of the measures taken to accept the redundancy.

The loyalty test showed that the loyalty of the affected employees was slightly lower, but this difference was not statistically significant ($\chi^2(4) = 6.619$, $p = 0.157$). This indicates that the loyalty of the employees was mainly influenced by emotional reactions and stages of acceptance.

Of the redundancy measures, severance pay was rated most positively, especially among non-affected employees ($\chi^2(2) = 20.889$, $p < 0.001$). In contrast, HR services and communication with senior management were rated most critically. The effectiveness of the outplacement programme and career counselling was found to be key to improving acceptance.

Overall, the results of the survey showed that emotional support, transparent communication and personalised measures are essential to mitigate the negative effects of collective redundancies. These results underline the need to focus on managing the employee experience during change for the long-term success of the company.

6 Conclusions and proposals

Cost-benefit analysis played a key role in the decision-making process during the closure. To achieve its long-term economic goals, the company introduced measures that led to significant cost reductions, such as a 50% reduction in labour costs and the elimination of maintenance and logistics costs for the factory and warehouse. These measures allowed the company to optimise its operating costs while trying to minimise social and internal tensions.

In terms of employee emotional reactions and loyalty, the application of the cost-benefit principle has resulted in benefit packages that are not only fair but can also support the motivation of employees not affected by collective redundancies and the reputation of the company in the long term. The decision shows that economic rationality and a people-centred approach are not mutually exclusive but can be reconciled through proper planning.

It can be concluded that involvement significantly affects the emotional reactions of employees during collective redundancies ($\chi^2(2) = 9.843$, $p = 0.043$). Involved employees have a higher prevalence of negative emotional reactions (disappointment, anger), while non-affected employees have a higher prevalence of moderate or positive emotions.

Workers affected by mass redundancies rated the acceptance of redundancy measures lower, and perceptions of severance pay were more positive, especially among non-affected workers ($\chi^2(2) = 20.889$, $p < 0.001$).

I found no significant relationship between involvement and loyalty to the firm ($\chi^2(4) = 6.619$, $p = 0.157$), with slightly lower loyalty among involved workers, but this difference is not statistically confirmed.

A positive relationship was found between stages of acceptance and emotional reactions ($\varrho = 0.257$, $p < 0.001$), indicating that employees' emotional processing may have an impact on their loyalty and their evaluation of measures that support acceptance.

Based on the assessment of the measures taken to adopt collective redundancy measures, information on open positions and severance pay are the most positively rated categories, while HR services and communication with senior management are the most critically rated.

To reduce the more negative emotional reactions, ensure that employees are fully informed about the reasons, processes and possible effects of redundancies through open, honest and clear communication. Negative emotions are common among those affected by redundancies, and psychological counselling or stress management training is recommended. Transparent and timely communication can help minimise employees' feelings of uncertainty and increase trust in the company (McLachlan et al., 2021).

Providing outplacement programmes, career counselling, psychological support and more personalised HR services can increase employee satisfaction, and for the employees concerned, it is even more crucial that severance pay is properly communicated, as this can have a direct impact on employee satisfaction.

The evaluation of the responses from workers affected by collective redundancies suggests that the role of trade unions may need to be rethought and strengthened to represent workers' interests more effectively.

The results suggest that the role of the line manager can be key to increasing stakeholder satisfaction. My suggestion is to launch management training.

To motivate employees who are not affected by mass redundancies and to maintain their loyalty, management training and stress management training should be introduced.

Several alternative scenarios need to be analysed before decisions are taken to ensure that the company is prepared for all possible outcomes, and as a strategic step, continuous monitoring of employee opinions, experiences, satisfaction surveys and productivity indicators is important to optimise subsequent actions.

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MAYSSA LAHBIB – ANDRÁS BARCZI – KATINKA BAJKAI-TÓTH

The Impact of Corporate Branding on Attracting Workers in the Industrial Sector

Abstract: This study investigates the influence of company branding in attracting workers, focusing on the industrial sector. The research will analyze the concept of employer branding and its relationship to organizational attractiveness, identify significant features from management literature. In the context of organisational recruitment, the employer brand is a critical factor in determining the types of employees a company is able to attract, as well as the number of candidates it can appeal to. This necessitates a thorough examination of the employer brand development process, encompassing the various stages involved and the significance of its value. The most talented individuals can only be identified through the implementation of effective strategies. Consequently, the more precise and clearly defined a company's talent management plans are, the more likely it is to identify the talent it requires. The role of talent management is emphasised in the literature references.

Keywords: organizational attractiveness**,** Employer Brand Value (EBV), talent-management

1 Introduction

In an era of mounting competition and complexity in the socio-economic landscape, the ability to attract, retain, and cultivate employee loyalty has become imperative for any organisation seeking to maintain its competitive edge (Côté & Renaud, 2022; Lachance, 2011). Individuals endowed with competence and expertise are increasingly regarded as a crucial asset that must be preserved for the long-term viability of the enterprise. From the perspective of talent acquisition and the establishment of an environment conducive to emulation and excellence, the concept of employer branding emerges as a set of attributes capable of distinguishing one company from another (Benraiss-Noailles & Viot, 2017).

In the extremely competitive world of the talent war, organisations are engaged in a perpetual battle to identify, recruit, and retain the right people who have the skills and potential to propel their success. This ongoing endeavour entails more than merely filling vacancies; it involves fostering loyalty and commitment among exceptional individuals to ensure long-term growth and a competitive advantage in today's dynamic and demanding economic climate. To maintain competitiveness in a continually evolving market, businesses must implement strategic personnel management techniques (Michaels et al., 2001).

In the contemporary business environment, there is a growing interest among practitioners in the concept of employer branding. The objective of this interest is to enhance an organisation's capacity to attract talent and to ensure the delivery of consistent communication to all employees, with a view to positively influencing their attitudes and behaviours towards the organisation (Garamvölgyi & Rudnák, 2016a,b). Researchers are also working to illuminate the link between corporate branding, talent acquisition, and retention (Kumar, 2022). In today's competitive economy, employer branding has become a vital approach for businesses looking to differentiate themselves in the employment market. It is a potent instrument for organisations to successfully explain their distinct value propositions as employers, highlighting their advantages in attracting and retaining top talent. Companies can position themselves as desirable workplaces by developing a strong and appealing employer brand, which fosters a positive reputation among potential applicants and motivates the most talented individuals to join their team. This method not only improves recruitment but also increases employee loyalty and organisational success. (Dalvi, 2021). The present study aims to ascertain the attributes of the employer brand that influence organisational attractiveness and talent management.

2 Organizational Attractiveness

This section will examine the concept of organisational attractiveness, its definition, and the set of characteristics associated with it. A plurality of authors in the literature have addressed the subject of organisational attractiveness and attempted to define it. Aiman-Smith et al. (2001:221) defined organizational attractiveness as "a positive affective attitude towards an organization, considering it desirable to initiate a relationship with the organization by becoming part of its staff." Berthon et al. (2005) defined organizational attractiveness as the extent to which an individual evaluates the workplace as an attractive and desirable place to belong. It encompasses the perceived benefits of working for a particular organization (Berthon et al., 2005:161). Bretz & Judge (1994) conceptualized organizational attractiveness as the alignment between human resource system characteristics and individual characteristics, emphasizing its significance in job acceptance.

A recent study by Walpes & Brachle (2020) highlighted a strong correlation between organizational attractiveness and the recruitment process. Employers, for their part, invest significant effort in implementing strategies to generate interest from a variety of stakeholders. Achehal et al. (2024) define organisational attractiveness as the degree to which an individual perceives the organisation as an appealing place to work, a perception which fosters a positive mindset and reflects an individual's global interest in investing within the organisation. In their studies, the authors delved into the relationship between the concept of organisational attractiveness and the social responsibility of the company (Rudnák & Szabó, 2019).

Dubois et al. (2009) identified five parameters for assessing organisational attractiveness: Firstly, the cost of hiring, including both traditional and digital marketing costs. Secondly, expenditures for candidate selection and assessment, as well as administrative expenditures related to recruitment. High recruitment costs can be attributed to difficulties in attracting candidates, thus rendering these two factors essential. Thirdly, the CV posting ratio evaluates the profitability of various posting techniques to optimise recruitment strategies and attract competent candidates. The fourth means refer to vacancy times, which are the average time between an employee's departure and the time someone is hired to replace them. Short vacancy times show a high level of desirability, implying that the organisation can attract new employees and that it can fill vacancies rapidly, thus preserving business continuity (Williams, 2013).

Organisational attractiveness is a concept that explains why people apply for or accept jobs with one company over another. This concept encompasses the internal and external factors that influence an individual's interest in a specific organization. These factors include the organization's reputation, beliefs, culture, opportunities for career advancement, as well as more practical criteria such as benefits, employment stability, and work-life balance. Organizational attractiveness is closely related to how an organization communicates its identity, commitments, and benefits, resulting in a positive image that resonates with potential applicants.

Khrouf (2023) defined organisational attractiveness as a phenomenon that explains why a person chooses to work for one employer over another. It is distinguished by the features offered in job adverts that reflect both instrumental (practical) and symbolic (representative) aspects of the employer's brand, influencing how potential candidates perceive and respond to the organisation.

Organizational attractiveness and relationship with different concept

Achehal et al. (2024) conducted a study on the relationship between organisational attractiveness and corporate social responsibility (CSR). Utilising the research and viewpoints of numerous authors, it was determined that there is a considerable and positive association between organisational attractiveness and CSR.

Companies that actively participate in CSR programmes are perceived more favourably by potential employees, consumers and stakeholders. However, the authors emphasised the vital need for consistency between a company's declared statements and its actual operations, highlighting that misalignment between CSR commitments and activities can lead to scepticism, reputational damage, and a loss of trust among stakeholders. Consequently, the efficacy of CSR in enhancing organisational attractiveness is contingent not only on the implementation of responsible practices, but also on the company's authenticity and transparency in implementing these practices.

In a separate study, Guillot-Soulez et al. (2022) explored the relationship between organizational attractiveness and employer labels. Their findings suggest that companies engaging in employer branding should prioritize the use of employer labels to attract talent, as these labels alone can significantly boost organizational attractiveness. For enterprises with limited financial resources and an absence of employer labels, the integration of a regional logo within recruitment advertisements can prove to be a fruitful strategy, particularly in instances where the city or region possesses a distinguished reputation. Finally, it is imperative to adjust signals to align with target candidates, including those who may exhibit reduced mobility or qualifications, in order to optimise their impact.

Capelli et al. (2022) demonstrate the importance of cooperative principles in influencing the degree of organisational attractiveness for a company. Their research shows that cooperative principles, such as democratic governance, justice and community emphasis, increase organisational attractiveness by connecting with potential employees' beliefs and distinguishing cooperatives from typical organisations. These ideas have a distinct appeal, producing a sense of inclusivity and ethical commitment that connects with those looking for meaningful work. Furthermore, their adaptation to cultural contexts (Rudnák et al., 2015), emphasis on wealth redistribution in industrialized economies and democratic decision-making in emerging ones enhances their global appeal, making cooperatives particularly desirable employers (Rudnák & Mészáros, 2018).

Kröll et al. (2021) explore the relationship between the concept of OA and the degree of flexibility of a company, highlighting the impact of flexible work practices (FWPs) on organizational attractiveness via the eyes of job searchers. The study focuses on three types of FWPs: flexible work schedules, remote work, and sabbatical leave. The study's findings indicate that FWPs significantly enhance perceived organisational attractiveness, primarily by signalling organisational support (Rudnák et al., 2022), which job seekers interpret as a sign of a supportive work environment. Blended working arrangements, which offer time and location-independent working, further enhance organisational attractiveness and encourage organisation-directed citizenship behaviour (Wörtler et al., 2021).

Beyond these factors, there are elements that may influence the organisational attractiveness of a company. In their study, Mutonyi et al. (2022) explored the influence of culture and leadership style on employees' perceptions of the company (Hamza et al., 2022; Hamza et al., 2024). They argued that organisational culture (IMOC) and organisational climate (SA) are significant factors in determining the appeal of an organisation to employees and their level of innovative behaviour. The study found that investing in and strengthening these resources, organisational culture and climate, can improve both employees' impressions of the organisation and their ability to innovate. Organisational culture has a favourable impact on organisational environment and attractiveness, which leads to more inventive behaviour. To increase staff engagement and creativity, hospital management should prioritise the development of these resources.

From a marketing and advertising perspective, Brunner & Baum (2020) investigated the relationship between organisational attractiveness and the company's brand portfolio, focusing on how highlighting product brands (rather than just the corporate brand) can attract more candidates. The data reveal that the efficacy of brand portfolio advertising is determined by two important factors: brand portfolio strength and fit. When both factors are strong, organisational attractiveness improves dramatically, whilst weaker combinations have less impact. The authors conclude with the following three points:

- The presence of well-known product brands can assist an organisation in attracting a greater number of employment seekers.
- The perceived congruence between a company's product brands and its overall organisational identity, in conjunction with projected prospects for career advancement, exerts a significant influence on candidates' perceptions.
- A brand portfolio that has been professionally managed and integrated within recruitment advertisements can serve as an effective tool; however, it must be genuinely aligned with actual opportunities to avoid establishing expectations that are not realistic.

3 Employer Brand Value (EBV)

In this section, we will explore various definitions of employer branding and attempt to identify its value.

The Employer Brand of an Organization

The concept of the employer brand emerges from the field of HR marketing and can be defined as the application of product branding characteristics to the company as an employer. In other words, it comprises a set of attributes of the company that enables it to promote its image in the job market. Several authors have sought to elucidate this term: Mosley & Schmidt (2017), for instance, draw parallels between the establishment of an employer brand and physics, positing that like vectors acting on an object in physics to move it, the more vectors acting on an employer brand, the more forceful they will be in the same direction.

This is analogous to the strengthening of the foundation of an employer brand when more people are working in a similar direction. The authors define the employer brand as a process of building an enjoyable and attractive workplace and then communicating and promoting it to target potential employees, with the aim of helping the company achieve its corporate goals.

For Mosley & Schmidt (2017), the building of the employer brand can be summarised in three key strategies:

- Business strategy: The employer brand needs to not only attract talented employees, but also the business itself.
- HR and talent strategy: The employer brand should reflect the HR management operations within the company to ensure that promises are aligned with actions.
- Marketing strategy: The employer brand must be aligned with both the corporate brand, which encompasses the company's mission and vision, and the customer brand, which sets the company's expectations for its customers. A strong employer brand enables the company to leverage these different strategies.

According to Soeling et al. (2022), the employer brand is defined by the creation of a professional atmosphere that aligns with the company's values and is perceived as attractive by employees.

In the field of organisational behaviour, the concept of the employer brand has been a subject of considerable academic interest. According to Dassler et al. (2022), the employer brand can be defined as the manner in which employees perceive and consider the company as a desirable place of employment. The aforementioned researchers also highlight the manner in which potential employees perceive their future workplace.

In a similar vein, Kalinska-Kula & Staniec (2021) define the employer brand as a distinct and distinctive identity that distinguishes a company from its competitors by incorporating branding ideas into the employee experience. The process of building strong bonds between employees and the organisation is said to improve performance, loyalty, and competitive advantage (Kalinska-Kula & Staniec, 2021).

This process entails the development and promotion of an employee value proposition, with the aim of differentiating the organisation in the labour market and recruiting and retaining talent, both within and outside. Jaswal & Bhattacharya (2022) state that employer attractiveness refers to a company's distinct benefits, values, and features that make it enticing to prospective employees. An appealing employer offers more than mere financial incentives; it cultivates an environment where employees feel respected, motivated, and inspired to contribute (Alshaabani & Rudnák, 2023). This involves the provision of professional development opportunities, support for work-life balance, encouragement of inclusivity, and demonstration of commitment to social and environmental responsibility.

Caputo et al. (2023) concluded that employer branding serves two purposes: first, it seeks to attract job seekers by exhibiting the company's values, culture, and identity in a compelling manner, resulting in a positive perception of the organization. Internally, it focuses on employee retention by ensuring that the expectations established during the recruitment process are met in the workplace.

The inextricable intertwining of these two qualities and their reciprocal impact is well-documented (Jones, 2020; Smith et al., 2022). When external branding effectively represents the internal environment, it fosters trust and alignment (Brown, 2023). However, a discrepancy between the promises made to potential employees and the actual workplace experience can result in a breach of the psychological contract, causing discontent and increasing the risk of people leaving the organisation (Green et al., 2023). Maintaining consistency between external and internal employer branding is therefore critical for building long-term loyalty and engagement (Brown, 2023).

Heide et al. (2024) proposed the concept of the employer brand as the distinctive combination of tangible and intangible perks that attract potential employees and motivate existing employees to stay. This concept is influenced by job content, compensation, work-life balance, management style, social values, and organisational culture. A positive employer brand is essential for attracting new talent and maintaining existing employees, particularly in competitive and changing labour markets. The creation and communication of an employer brand should be viewed as a critical management obligation, with an emphasis on aligning internal practices with outward promises to retain trust and engagement.

The employer brand value

The concept of employer brand value, as articulated by Ružić & Benazić (2023), encompasses the benefits conveyed and communicated by the employer to potential employees. They posit that companies should emphasise their employee value proposition (EVP), highlighting their strengths and existing values. Simultaneously, these characteristics and beliefs should be appealing to employees while also being distinctive. Consequently, one of the initial steps in the employer branding process is to identify the employer value proposition, and to do so, an employer should be cognizant of the common characteristics of the employer brand.

Table 1. Employer attractiveness scale

Employer attractiveness scale

No.	Items
1. Social value	
1	*Colleagues in the company always get along with each other.*
2	*Having a good relationship with your colleagues.*
3	*Supportive and encouraging colleagues.*
4	*Having a good relationship with your superiors.*
5	*Happy work environment.*
6	*A fun working environment.*
2. Development value	
1	*You feel the desire to stick with the organization because of the opportunities that come from experience in a professional workplace.*
2	*Feeling good about yourself as a result of working for a particular organization.*
3	*Feeling more self-confident as a result of working for a particular organization.*
4	*A springboard for future employment.*
5	*Gaining career-enhancing experience.*
6	*My organization always implements decentralized employee.*
3. Application value	
1	*Opportunity to teach others what you have learned.*
2	*Opportunity to apply what was learned at a tertiary institution.*
3	*You have the opportunity to share your real experiences with everyone in the organization.*
4	*Acceptance and belonging.*
4. Safety value	
1	*The organization I work with always ensures occupational safety during work activities.*
2	*Job security within the organization.*
3	*The organization I work with is always safe in the work environment (without pressure, sexual harassment, etc.).*
5. Economic value	
1	*An above average basic salary.*
2	*An attractive overall compensation package.*
3	*My organization has good allowances for employees.*

Source: Berthon et al. (2005)

Following comprehensive research on this approach, Berthon et al. (2005) established that a value could be ascribed to this Employer Brand (EB) that reflected the value of the employer brand itself. The latter was defined as "the assets and liabilities associated with the EB, its name, and its symbolism, which add (or subtract) to the value provided by an organisation to its employees" (Ewing et al., 2002:14).

The researchers concluded that assessing Employer Brand Value (EBV) requires focusing on five dimensions: (1) economic value, (2) interest value, (3) social value, (4) development value, and (5) application value. **Table 1** shows the five dimensions for evaluating Employer Brand Value (EBV):

- *Interest Value* refers to the level of innovation within the organization, the current working climate, and the management methods that improve and "give meaning" to the work. This component measures a potential employee's attractiveness to the innovative work environment produced by the organization
- *Social Value* refers to the nature of interactions among employees. A company is regarded attractive if it fosters a warm and inviting environment among coworkers and delivers a distinctive and engaging social experience
- *Economic Value* corresponds to the monetary aspects associated with the work position. It includes all career advancement prospects for employees, such as a base wage above the industry norm, benefits, salary promotions, and job security, which ensures a degree of stability inside the organization
- *Development Value* focusses on the company's methods for recognizing employee efforts, boosting self-confidence, and increasing self-esteem. This includes managerial assistance and HR strategies that recognize employee efforts. This dimension indicates the company's appeal in terms of giving engaging experiences and prospective career chances
- *Application Value of Knowledge* refers to the company's capacity to provide an atmosphere in which employees may apply their knowledge and share it with coworkers. It emphasizes a workplace that facilitates the transfer of training knowledge, develops innovation, and promotes creativity (Berthon et al., 2005).

4 Talent and Talent-management

In the contemporary economic and technological environment, organisations are constantly seeking to identify individuals who can offer a competitive advantage. These individuals possess distinctive and sophisticated abilities that are challenging to replicate. This section aims to explore the concepts of talent and competencies by examining the perspectives of various authors. According to Goufan A Eroume (2021), talent can be defined as a rare and exceptional combination of skills that can be demonstrated through specific practices and outcomes in the workplace. Talent, therefore, is not an abstract or theoretical concept; rather, it is a practical concept that can be observed and verified via results.

Thévenet & Dejoux (2010) similarly describe talent as a set of unique skills, with a talented person enhancing the distinctiveness of their existing and potential skills. The uniqueness of their current and potential abilities. The authors argue that skill is not defined by a certain criterion. Conversely, Maker (2021:4) propounds the concept of "exceptional talent," comprising "(a) the ability and willingness to solve the most complex problems in the most effective, efficient, economical, ethical, or elegant ways; b) the ability and willingness to solve a variety of problems, from well-structured and known to ill-structured and novel, in the most effective, efficient, economical, ethical, or elegant ways; and (c) a highly integrated and interconnected knowledge structure within or across disciplines. He further noted that these components interact with each other and their surroundings in unique ways. From a socio-formation perspective, talent is regarded as a set of actions that all individuals can develop independently of physical, psychological, emotional, social, or economic factors (Luna-Nemecio et al., 2019).

The study of talent has been subject to a variety of conceptualisations over time. In their seminal work, Ansar and Baloch (2018) approached the concept of talent from a cultural perspective, examining the impact of culture on the interpretation of talent. They observed that different cultures interpret the term 'talent' differently, resulting in distinct views (exclusive/inclusive, subject/object). For instance, in European languages such as English, Russian, Polish and French, talent is regarded as an innate attribute, whereas in Japanese, it is regarded as a future accomplishment (Tansley, 2011).

Talent-management (TM)

It is imperative to acknowledge the fundamental concept of talent management when investigating the notions of employer branding, employer value proposition, and talent. In today's competitive global environment, talent management has evolved into a pivotal and dynamic discipline, crucial to organisational success and, by extension, the successful implementation of employer branding. Numerous scholars have discussed the subject of talent management. Gallardo-Gallardo et al. (2020) notably diverge from this perspective by conceptualising talent management not as an independent or static asset, but as a dynamic and context-sensitive blend of skills, abilities, and potential that must align with an organization's specific demands and circumstances. This paradigm shift, as articulated by Gallardo-Gallardo et al., necessitates a comprehensive, multi-level approach to talent management (TM), incorporating insights from numerous disciplines and emphasising both theoretical and empirical contexts. In this regard, he characterises talent management by emphasising context-dependent, dynamic and holistic, integrated into practices, and recognisable and measurable.

Pagan-Castaño et al. (2022) define talent management as a comprehensive and strategic method that organisations use to attract, develop, engage, and retain individuals who possess the skills, knowledge, and potential needed to drive organisational success. This approach is predicated on the premise that talent strategies are inextricably linked to the overarching objectives of the organisation, with the objective of achieving a sustainable competitive advantage. The crux of talent management is to ensure that the organisation exhibits the requisite agility, innovation, and readiness to meet the evolving demands of a dynamic and competitive global market. This is achieved through the systematic development of both existing and future talent pools.

The significance of talent management in the context of employer retention and, by extension, employer branding is emphasised. A notable correlation is observed between talent management techniques and employee turnover and retention intentions, thus underscoring the importance of their implementation for the purpose of enhancing retention. The paper delineates four pivotal practices that exert a substantial impact on retention: recruitment and selection, performance and career management, salary and compensation, and teamwork and management support. (Kumar, 2022)

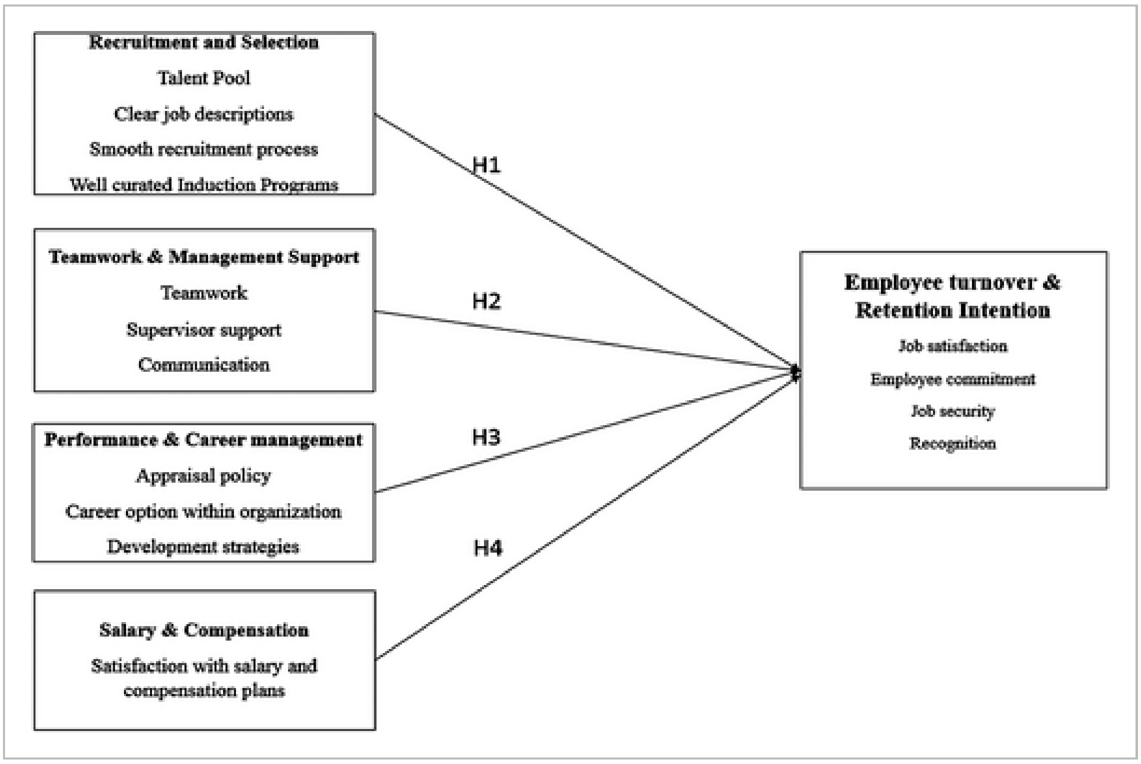

Figure 1 Impact of talent management practices on employee turnover and retention intentions.

Source: Kumar (2022)

Nevertheless, the author has drawn attention to a concept of great importance and subtlety, which may lead to confusion. Barney (1991) emphasised the distinction between HRM and talent management by explaining that TM emphasises the human side of work, viewing skilled employees as a crucial competitive advantage for businesses (Zhang & Rudnák, 2024). In contrast, HRM takes a more technical and transactional approach to dealing with conventional HR tasks, such as payroll, compliance, and personnel records.

5 Conclusion

In conclusion, it is evident that the concepts of organisational attractiveness, employer brand value (EBV) and talent and talent management are of paramount importance in evaluating and improving an organisation's capacity to attract and retain high-calibre personnel. Organisational attractiveness refers to the positive characteristics and benefits that render a workplace appealing to potential employees, as noted by several authors who emphasise its significance in recruitment techniques and job acceptance.

Employer branding, on the other hand, takes this concept a step further by emphasizing the purposeful development and communication of an organization's distinct identity, culture, and values.

Effective employer branding not only aligns with business, human resources, and marketing initiatives, but it also guarantees that outward promises and internal practices are consistent, fostering employee trust, loyalty, and engagement. The five elements of EBV (economic, interest, social, development, and application values) provide a comprehensive framework for evaluating and cultivating a compelling employer brand.

Talent management is the process by which organisations attract, develop, engage, and retain individuals who possess the necessary skills, knowledge, and potential to achieve organisational success. The synergy between these concepts underscores the imperative to cultivate an appealing and supportive workplace that not only attracts new employees but also retains existing talent, ensuring long-term growth and a competitive advantage in the dynamic labour market. However, the employer brand appears to be predominantly focused on IT-related positions and white-collar skills, frequently overlooking blue-collar employees as part of its strategic goals, especially in businesses where blue-collar workers constitute the majority of the workforce. This oversight underscores a critical weakness in employer branding initiatives, as blue-collar workers constitute a significant segment of the workforce across diverse sectors.

The implementation of employer branding activities that are tailored to the needs, interests, and objectives of the target demographic has the potential to enhance organisational retention rates. Furthermore, this approach can facilitate the attraction of a more extensive and diverse talent pool, thereby contributing to the enhancement of the overall success of the organisation.

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SENA USLU – NAJWA JNAIKAH – ANDRÁS BARCZI

Digital Transformation in HRM

Abstract: The present study aims to explore the evolution, implications, tactics and prospects of digital transformation in HRM. In the current era of technological development and rapid change, digital transformation is a key milestone that is having a pervasive impact, particularly in the field of human resource management (HRM). Digital HRM can be conceptualised as a new approach to traditional HR practices that leverages advanced technologies such as artificial intelligence, data analytics and cloud computing to increase efficiency, facilitate informed decision-making and provide employees with the resources they need to optimise their performance.
Digital technology has become an integral part of contemporary organisational management, particularly in the field of human resource management (HRM). The strategic adoption and integration of digital technology has been proven to improve the employee experience, streamline HR processes and improve business performance; a phenomenon commonly referred to as "digital transformation" in HRM. It can thus be concluded that the most significant challenge for the near future is the management and effective use of DHRM.

Keywords: digital HRM functions, DHRM-strategies, ethical considerations of DHRM, future trends of DHRM

1 Introduction

The contemporary epoch is designated the "Digital Age", and digital transformation has evolved into a global concept among enterprises. Technological advancements, including 5G, cloud computing, big data, artificial intelligence, the Internet of Things (IoT), and blockchain, have emerged as the primary driving forces of contemporary work. To capitalise on the exponential changes precipitated by the full arrival of the digital age, businesses must transform their business models to facilitate faster movement and more expeditious adaptation to a rapidly changing environment. Digital transformation has compelled businesses to modify their operational processes, thereby rendering it a fundamental component of corporate strategy (Heavin & Power, 2018).

The potential of digital transformation in HRM to improve employee engagement, increase operational efficiency and streamline HR operations highlights its importance HRM practices are undergoing a paradigm shift from legacy methodologies to data-driven, technology-enabled methods as firms manage the complexities of the digital age. According to the results of a survey conducted by Deloitte in 2019, 84% of companies are prioritising digital HR, indicating a growing recognition of technology's pivotal role in shaping the future of HRM (Deloitte, 2019).

Historically, technology has been a catalyst for the evolution of HRM, transforming it from personnel administration to strategic HR management. The advent of artificial intelligence (AI), machine learning, cloud computing, and big data analytics has further empowered HR managers to make data-driven decisions, predict workforce trends, and customise the employee experience. For instance, research by Bersin (2023) underscores the efficacy of AI-powered recruitment tools in identifying top talent and mitigating bias in the hiring process.

Digital transformation and the innovative technologies associated with it are rapidly entering our lives, fundamentally changing the way we live, learn, search, work and communicate. Globalisation and the digitalisation of the economy will bring great benefits to the state and to people. Digitalisation is defined as the introduction of digital technologies in different areas of life, including the economy, education, culture, medicine, tourism, agriculture, services and all stages of the process.

Digital HR is conceptualised by practitioners in relation to data capabilities and technological features (Zhang & Rudnák, 2024). HR operations, including recruitment, training, performance management and employee engagement, are all affected by digital transformation. In recruitment, firms are using predictive analytics and applicant tracking systems (ATS) to effectively source, assess, and select candidates (Breaugh, 2008).

Furthermore, the advent of e-learning platforms, mobile learning applications, and virtual reality simulations has transformed the domain of employee training (Álvarez et al., 2024). While the digital transformation in HRM holds the potential to usher in a new era for the sector, it concomitantly engenders both advantages and disadvantages for businesses. Digital technologies have been shown to enhance the employee experience and enable human resources departments to function with greater efficiency. However, they have also given rise to issues related to data privacy, cybersecurity and workforce retraining (Dimitriou et al., 2024). It is therefore essential for companies to approach digital transformation from a holistic perspective, taking into account ethical issues, change management and technological innovation (Álvarez et al., 2024).

The advent of the Coronavirus pandemic has precipitated a precipitous shift in consumers and businesses towards online platforms and digitisation, rendering digital transformation an imperative for companies globally. Moreover, the transition to remote work has necessitated a digital transformation in organisations to effectively manage their distributed workforce.

Companies have expeditiously adapted to novel digital methodologies, recognising the immense potential of digital technologies for growth and innovation. Digital Human Resource Management (DHRM) has been identified as a key enabler in this regard, optimising social, mobile, analytics and cloud technologies to manage and account for human resources, thereby ensuring the right behaviours and expectations within the organisation (Varadaraj & Al Wadi, 2021).

In summary, digital transformation is transforming the HRM landscape, providing businesses with unprecedented opportunities to maximise their people resources and achieve long-term success. It is incumbent upon HR professionals to promote creativity and teamwork, and to develop a staff that is prepared for the future by adopting digital technologies. However, it is equally important to recognise that overcoming the challenges of digital change requires careful planning, ongoing education, and a dedication to moral behaviour.

2 Understanding Digital Transformation in HRM

Digital transformation in human resources management (HRM) can be defined as the strategic integration of digital technologies with the aim of transforming HR practices and processes. The impetus for organisations to optimise their HRM strategies and adapt to the digital age has been the driving force behind this evolution. According to Deloitte (2019), digital transformation in HRM is described as the use of technology to improve employee experience, optimise HR processes and drive organisational agility. This development is indicative of a larger trend towards digitalisation in companies, where HR departments are essential to spearheading organisational transformation. From the early adoption of HRIS (Human Resource Information Systems) to the current era of artificial intelligence-driven HR analytics and digital platforms, technological breakthroughs have impacted the growth of HRM practices.

According to Bersin (2023), digital HR plays a crucial role in facilitating workforce analytics that anticipate future needs, data-driven decision making and personalised employee experiences. Thanks to these technological advances, HR has evolved from a transactional department to a strategic business partner that fosters creativity and organisational competitiveness (Milhem, 2024).

In the contemporary business landscape, organisations are compelled to undergo a digital transformation in order to attract and retain the most accomplished talent, enhance employee productivity, and adapt to the shifting expectations of the workforce and evolving demographic patterns.

This paradigm shift in human resources management (HRM) has been extensively researched, with Breaugh & Starke (2000) emphasising the pivotal role of predictive analytics in the recruitment process.

These technologies assist companies in identifying high-potential individuals, anticipating future talent requirements, and optimising hiring outcomes. The integration of digital technologies such as artificial intelligence (AI), machine learning, and natural language processing has profoundly transformed talent management processes (Zhang & Chen, 2024).

These tools empower HR managers to assess skills gaps, identify learning opportunities and facilitate career development. Digital transformation is impacting a wide range of HR functions, including recruitment, training, performance management and employee engagement. According to Álvarez et al. (2024), virtual reality simulations and e-learning platforms can enhance employees' training experiences by providing an immersive and engaging learning environment. Furthermore, digital tools and platforms facilitate real-time feedback, continuous performance monitoring and personalised growth plans, thereby promoting employee engagement and retention. The conceptualisation of digital HR by practitioners was informed by data capabilities and technology attributes (Lowndes & Fu, 2021).

In conclusion, digital transformation is affecting a paradigm shift in the field of HRM, enabling businesses to optimise their HRM strategies and drive long-term growth. The adoption of digital technologies by HR professionals can enhance decision-making processes, increase operational efficiency and cultivate an innovative and agile organisational culture. However, it should be noted that addressing the challenges of digital transformation requires investment in technology infrastructure, strategic planning and ongoing engagement.

3 Impact of Digital Transformation on HR Functions

The advent of digital transformation has precipitated a plethora of radical changes in the domain of human resources. This transformation has given rise to a plethora of state-of-the-art tools and methodologies that have the potential to enhance the employee experience and expedite processes. This section explores the intricate ramifications of digital transformation on pivotal human resources functions, drawing upon a plethora of trusted sources. Technology-driven solutions are engendering a paradigm shift in conventional hiring processes, with recruitment emerging as a pivotal facet of human resources' digital transformation.

Research by Breaugh & Starke (2000) have demonstrated the efficacy of predictive analytics in the recruitment process, enabling companies to more accurately identify high-potential individuals and predict job fit. Furthermore, research by Hussain et al. (2022) have shown the ease with which candidates can be selected and screened using online recruitment platforms and applicant tracking systems (ATS).

Digital learning tools have brought about a paradigm shift in training and development. In the field of staff training, virtual reality (VR) simulations and e-learning platforms have been shown to be effective by Álvarez et al. (2024), with the potential to increase engagement and information retention. Mobile learning apps have also been found to be successful in providing on-demand training materials to employees, as demonstrated in the study by Cascio & Montealegre (2016), and have been identified as a means to promote lifelong learning and skills development.

The annual performance review has been superseded by more flexible and data-driven methods in performance management techniques (Cascio & Montealegre, 2016). Real-time feedback, goal tracking and performance analysis are enabled by digital performance management technologies.

One of the most important areas for companies using digital technologies to foster a connected and collaborative culture is employee engagement (ibid). Employee knowledge sharing and open communication are facilitated by digital engagement platforms, social intranets and communication tools. Furthermore, sentiment analytics technologies enable businesses to assess employee attitudes and proactively address issues, thereby enhancing overall happiness and engagement levels (Alshaabani & Rudnák, 2023).

Digital Human Resource Management (HRM) has been shown to engender significant time savings and enhance the efficiency of HRM functions. The advent of digital transformation has led to a notable simplification and acceleration of HRM processes. Digital Human Resource Management can be defined as the utilisation of soft technologies, applications and the internet for the execution and management of all human resource activities (Halid et al., 2020).

In conclusion, digital transformation has had a substantial impact on HR operations, leading to increased productivity, enhanced employee satisfaction and fostered organisational agility. Consequently, HR professionals can leverage digital technologies to enhance recruitment outcomes, update performance management processes, modify learning and development programmes and cultivate a culture of digital engagement.

4 Strategies for Implementing Digital Transformation in HRM

Implementing digital transformation in HRM requires careful planning, strategic alignment, and effective change management strategies. This section explores key strategies that organizations can adopt to successfully navigate the digital transformation journey, drawing insights from empirical research and industry best practices:

Strategic Alignment

Organisations need to align their digital transformation initiatives with their overall business strategy and objectives. Research by Parajuli et al. (2023) emphasises the importance of aligning HR digitalisation efforts with organisational goals to create value and drive competitive advantage. Strategic alignment ensures that digital transformation initiatives address critical business challenges and contribute to long-term success.

Change Management

Successful digital transformation requires effective change management strategies to overcome resistance and foster employee buy-in (Hamza et al., 2022). It highlights the role of change leadership in driving organizational change and creating a culture of innovation. Organizations must invest in change management capabilities, provide clear communication, and involve employees in the transformation process to mitigate resistance and ensure successful implementation.

Technology Integration

Integrating digital technologies seamlessly into HR processes and systems is essential for maximizing the benefits of digital transformation. It underscores the importance of selecting and implementing HR technology solutions that align with organizational needs and capabilities. Organizations must invest in user-friendly platforms, provide adequate training and support, and continuously monitor and evaluate technology performance to drive adoption and usage (Wulandari et al., 2023).

Data Analytics and Insights

The use of data analysis and insights is critical for informed decision-making and continuous improvement in HRM. Research conducted by Álvarez-Gutiérrez et al. (2022) highlights the role of HR analytics in predicting workforce trends, identifying talent gaps, and optimizing HR processes. Organizations need to invest in analytics capabilities, develop data-driven HR strategies and establish metrics and KPIs to measure the impact of digital transformation on business outcomes.

Talent Development and Reskilling

Building digital capabilities among HR professionals is essential for driving successful digital transformation initiatives. It emphasizes the need for continuous learning and upskilling to keep pace with technological advancements. Organizations must invest in training and development programs, provide access to relevant resources and learning opportunities, and foster a culture of continuous learning and innovation.

Partnerships and Collaboration

Collaborating with external partners and vendors can accelerate digital transformation efforts and enhance organizational capabilities. It highlights the role of strategic partnerships in leveraging external expertise, accessing innovative technologies, and driving digital innovation.

Organizations must cultivate strategic partnerships, collaborate with industry experts, and leverage external resources to stay at the forefront of digital transformation in HRM.

In conclusion, successful implementation of digital transformation in HRM requires a holistic approach encompassing strategic alignment, change management, technology integration, data analytics, talent development, and collaboration.

By adopting these strategies and leveraging empirical research and industry best practices, organizations can effectively navigate the complexities of digital transformation and drive sustainable business growth in the digital age (Cuhadar & Rudnák, 2022a,b). It is evident that HRM strategies play a pivotal role in the digital transformation of organisations, which is imperative for companies to thrive in the face of the digital era (Gadzali et al., 2023).

5 Challenges and Ethical Considerations in Digital Transformation of HRM

While digital transformation offers numerous benefits for HRM, it also presents various challenges and ethical considerations that organizations must navigate. This section examines the key challenges and ethical concerns associated with digital transformation in HRM, drawing insights from empirical research and industry observations.

Data Privacy and Security: The collection and management of employee data raise concerns about privacy and security. It highlights the importance of implementing robust data protection measures and ensuring compliance with relevant regulations such as GDPR (Yanamala, 2023). Organizations must prioritize data security, establish clear policies for data usage and access, and communicate transparently with employees about data handling practices (Chatterjee et al., 2022).

Bias and Fairness in Algorithms: The use of AI and algorithms in HR processes, such as recruitment and performance evaluation, can perpetuate biases and unfairness. This underscores the need for algorithmic transparency and fairness to mitigate bias in decision-making (Soleimani, 2024). Organizations must regularly audit algorithms for bias, ensure diversity in data sets used for training, and provide safeguards against discriminatory outcomes (Du, 2024).

Digital Divide and Accessibility: Not all employees may have equal access to digital tools and platforms, leading to inequalities in participation and engagement. Tursunbayeva et al. (2022) discuss the digital literacy gap among employees and its implications for learning and development initiatives. Organizations need to address the digital divide by providing training and support to employees with different levels of digital literacy and by ensuring that digital tools are accessible to all users.

Workforce Reskilling and Adaptation: The rapid pace of technological change requires employees to continuously update their skills and adapt to new technologies. It emphasizes the importance of ongoing reskilling and upskilling initiatives to enable employees to thrive in the digital workplace (Pradhan & Saxena, 2023). Organizations must invest in training programs, career development opportunities, and support mechanisms to facilitate workforce adaptation and career advancement (Li, 2022).

Ethical Use of Employee Data: The ethical use of employee data is paramount in digital HRM. There are discussions about the ethical considerations surrounding data analytics and the potential misuse of employee data for surveillance or discriminatory purposes. Organizations must establish clear ethical guidelines for data usage, obtain informed consent from employees for data collection, and ensure transparency and accountability in data practices (Saurabh et al., 2022).

Employee Well-being and Digital Fatigue: The widespread use of digital technologies in HRM can contribute to employee burnout and digital fatigue. Xu (2023) explores the impact of digital overload on employee well-being and productivity. Organizations should promote work-life balance, encourage digital detox periods, and implement policies that mitigate the negative effects of excessive digital use on workers' health and well-being (Wang et al., 2023).

In conclusion, digital transformation in HRM brings both opportunities and challenges, requiring organizations to balance technological innovation with ethical considerations and employee welfare. By addressing key challenges and ethical concerns, organizations can maximize the benefits of digital transformation while fostering a culture of trust, transparency, and inclusivity in the digital workplace.

6 Future Trends and Outlook in Digital Transformation of HRM

As organizations continue to embrace digital transformation in HRM, it is essential to anticipate future trends and developments that will shape the landscape of HR practices. This section explores emerging trends and provides insights into the future outlook of digital transformation in HRM, drawing on scholarly research and industry perspectives.

The integration of AI and automation technologies is expected to play a significant role in streamlining HR processes and decision-making. It discusses the potential of AI-driven chatbots for automating routine HR tasks such as candidate screening and onboarding. As AI technologies continue to advance, organizations are likely to leverage AI-driven insights for workforce planning, talent management, and predictive analytics (Karaçelebi, 2025).

The widespread adoption of teleworking and virtual collaboration tools has accelerated in the wake of the epidemic (Covid-19) and has transformed the way organisations manage their workforces (Haque, 2023).

The study by Haque (2023) highlights the challenges and opportunities associated with teleworking and the need for digital HRM solutions to support teleworkers. As teleworking becomes a permanent feature in the post-epidemic era, organisations will focus on increasing virtual collaboration, employee engagement and digital connectivity.

Organizations are increasingly prioritizing employee experience and well-being as key drivers of organizational success. The role of digital HR technologies in enhancing employee experience and well-being, including personalized learning platforms, wellness apps, and digital feedback mechanisms. In the future, organizations will continue to invest in digital tools and initiatives that promote employee engagement, work-life balance, and mental health support (Alzadjali et al., 2023).

The proliferation of data analytics and HR metrics is empowering organizations to make more informed and data-driven decisions. It discusses the importance of HR analytics in predicting workforce trends, identifying talent gaps, and optimizing HR processes. In the future, organizations will leverage advanced analytics techniques such as predictive modelling, machine learning, and sentiment analysis to drive strategic HR initiatives and improve business outcomes (Muzaffar et al., 2024).

With the increasing reliance on AI technologies in HRM, ensuring ethical and responsible AI practices is paramount. There are ethical considerations surrounding AI-driven decision-making in HR, including bias mitigation, transparency, and accountability. In the future, organizations will need to prioritize ethical AI principles and establish guidelines for ethical AI usage to build trust with employees and stakeholders (Xin et al., 2022).

In the context of a business environment that is characterised by its dynamism and unpredictability, human resources management (HRM) practices must exhibit a degree of flexibility and adaptability. This assertion is supported by the research undertaken by Revutska & Maršíková (2021), which explores the notion of agile HRM and its impact on organisational agility and flexibility.

It is anticipated that, in the future, HR departments will adopt agile methods and flexible HR practices, thereby enabling them to respond expeditiously to changing market conditions, technological disruptions and workforce trends (Rudnák & Szabó, 2019).

In conclusion, the future of digital transformation in HRM promises to be dynamic and transformative, driven by technological innovation, evolving workforce dynamics, and changing employee expectations. By embracing emerging trends and leveraging digital HRM solutions, organizations can adapt to the evolving landscape of work, drive employee engagement and productivity, and achieve sustainable growth in the digital age.

7 Conclusion

The digital transformation of HRM signifies a paradigm shift in contemporary business practices, particularly in the realm of human resources management (HRM). This essay aims to explore the evolution, ramifications, challenges, and prospects of this digital metamorphosis in HRM, drawing upon empirical studies and industry insights.

The contemporary landscape of HRM is characterised by a perpetual cycle of innovation, adjustment, and optimisation in HR procedures and practices. This ongoing process is driven by the adoption of digital technology, which aims to enhance employee experiences, streamline HR procedures, and foster organisational agility. The early adoption of HRIS and the present era of AI-driven analytics and virtual collaboration tools are examples of this.

However, there are obstacles and moral issues associated with HRM's digital transition. Algorithmic prejudice, digital inequality, and data privacy and security are some of the issues that highlight the significance of ethical HRM practices and responsible AI practices. The dynamic nature of the digital workplace necessitates that HR departments adopt an agile, adaptable, and forward-thinking approach to HRM.

Future themes, including AI and automation, remote work, employee experience, data-driven decision-making, ethical AI, and agile HR practices, are expected to fuel the dynamic and transformative nature of digital transformation in HRM. Organisations stand to benefit from the adoption of these trends and the implementation of digital HRM solutions, which can foster employee engagement and productivity, address the challenges of the digital age, and facilitate the achievement of sustainable growth in a dynamic corporate environment.

In conclusion, the HRM landscape is undergoing a period of significant transformation due to the advent of digital technologies. This development presents businesses with the opportunity to enhance organisational competitiveness and optimise their HRM strategies.

HR professionals can facilitate enhanced decision-making processes, increase operational efficiency, and cultivate an innovative and agile organisational culture by embracing digital technologies. However, it is imperative for organisations to adopt a commitment to ongoing learning and adaptation, strategic investment in technological infrastructure, and the implementation of robust strategic planning to ensure a successful digital transition.

It is imperative for organizations to maintain flexibility, adaptability, and a commitment to providing value to stakeholders and employees as they navigate their digital transformation journey. By embracing digital transformation in HRM, organizations can position themselves for success in the digital era and cultivate innovative, inclusive, and future-ready workplaces.

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