

Cultural Integration and Cross-Cultural Management Challenges in the Central European Countries: Lithuania and Poland

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The article focused on disclosing the situation of cultural integration in Lithuania and Poland leading to the different issues of cross-cultural management in labour market and companies activity. As the main research method, a critical analysis of scientific literature on cultural integration and cross-cultural management applied in the companies as well as secondary research data and legal documents are analysed focusing on both countries – Lithuania and Poland. Practical examples' analysis is based on particular issue of global company ANG activity in Poland. In Lithuania the third countries citizens' integration in labour market is discussed. *Findings.* The main challenges, problems and improvement possibilities in cultural integration and cross-cultural management context in both countries are disclosed. The context of cross-cultural management, in terms of cultural integration and globalisation evaluated focusing terms of companies' activity in Poland and labour market issues in Lithuania in terms of third countries' citizens' integration in it. *Practical implications.* The research presents actual analysis of legal documents of third countries citizens in Lithuania as well as the tools of improving the situation. Particular issues for companies' consideration are presented in case of Poland. *Social implications.* The research presents actuality of cultural integration and cross-cultural management in terms of society and business in Poland and Lithuania integrating different cultural groups and ethnic minorities in labour market of both countries. *Originality/value.* The paper considers actual and problematic issues in the

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Abstract



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life of two countries in the frames of national identity and cultural integration's conjunction and diversity. Some particular issues as labour market and companies' specificity are analysed. The comparative analysis provides some useful solutions for business and society.

KEYWORDS: cultural integration, cross-cultural management, multicultural environment, national identity, multicultural business.

Introduction

Business environment as well as management of the companies in Central European Countries (CEE) have been changed radically since 1989. All the countries within the CEE region started their integration with the European Union (EU) and global world economy, which in turn resulted in the implementation of the new management tools and behaviour in all the countries. Because a numerous of foreign international companies from the whole world decided to invest their money in those countries, multicultural environment and its management started to face the challenges. The companies suffered transitional period transforming from state-planned to free market economy. The decisions in business became dependent on cross-cultural management and its successful implementation resulting from Europeanisation issues (Delanty, 2005) and globalisation affected by glocalisation. Given these circumstances, the aim of this paper is to present the main cultural integration and cross-cultural management aspects in the economy and social life of Poland and Lithuania as neighbouring countries and having common historical past and culture development (Eriksen, 2007) and solving different questions in this field especially concerning the national identity (Savickiene, Kaledaite, 2008; Anderson, 1992) and multiculturalism interactions. The issues presented in the paper include:

- 1 Presentation of the cultural situation in Lithuania and Poland which may influence the functioning of the companies in both countries;
- 2 Revealing the main problems of companies acting in multifaceted environment and presentation of the possible improvement tools provided by cross-cultural management for further improvement of the economies of both countries – Poland and Lithuania ;
- 3 Particular issues of cultural integration and cross-cultural management in Poland and in Lithuania influencing the changes in economic and social life of both countries.

Cultural integration issues in Poland and Lithuania

Multiculturalism in Lithuania and preconditions for cultural integration and cross-cultural management

In Lithuania the concept of multiculturalism was adopted just in the last decade of the 20th century. It became more common in social and humanitarian sciences. The concept of multiculturalism was tightly related with ethnicity in the terms of "many ethnicities" as Lithuania is rather mono ethnical country consisting more than 80 percent of Lithuanians and population in the country does not exceed 3 million citizens (Lithuania population clock, 2016). Potasenko (2009) describes multiculturalism as cultural diversity or culture amalgam. Multiculturalism is evaluated from religious, lingual, ethnical perspectives. Lithuania is kept more like "one nation" country than multicultural one. However in Lithuania multiculturalism and ethnocentrism are already started to be conceived as different poles discussing about national identity and cultural diversity.

In EU political focus implementing multiculturalism doctrine is focused on cultural diversity and cultural integration. It should be mentioned that the current situation in EU caused by flows of migrants from Ukraine, at first, later the difficult situation of Syria influenced decisions and actions in favour of solidarity of these nations. However, the political and cultural tension became obvious. Lithuania is prepared to adopt refugees from Syria, but at the moment situation is just planned for the later time

(the second half of year 2016). Even the discussion of these actions taken by Lithuanian government was admitted rather “hot” by society and was led by concern of unsafety for native people in here. The national identity became more discussed and crosses national borders of the EU countries (Field, 2012). The dominance of one culture is the issue not only in Lithuania. Recent political events force to think of preserving every country by their citizens as some threat is raised from instability in the region.

As EU is multicultural in itself the appropriate rights and laws must be issued and applied for managing multicultural issues in economic and social life of the countries. Lithuanian government still struggles the lack of appropriate political actions in the field of multiculturalism policy. In 2007 “Strategy of Minority policy development till 2015” (Tautinių mažumų politikos plėtros iki 2015 metų strategija) (LRS, 2007) was adopted but it showed rather old fashioned view to the presented question (HRMI, 2009). In the review of human rights in Lithuania (year 2011–2012) it is stated that human rights remain as not essential object of discussion and it is not a part of political work schedule (HRMI, 2013). However, it remains positive that partnership between public and private sectors is more and more valued as perspective and useful and this precondition development of different societal groups interests in political level.

In the review of human rights in Lithuania (year 2012–2013) which was made by European Fund of Human Rights (2014) the emphasis was put on the necessity of political documents in the sphere considering international obligations and suggestions in the field of human rights in Lithuania.

It must be stressed that the attitude to multiculturalism in Lithuania was mostly perceived as opposite to nationalism, or rather neutral and even as some negativity. It also should be mentioned that rather often multiculturalism in Lithuania is perceived as threat to national identity and national culture despite that EU cultural policy is based on preservation of cultural identity and variety. Such an attitude affects and business environment in the country as some intolerance and cultural misunderstandings exist especially concerning third countries citizens. Lithuania suffers problems of ethnic minorities integrating them in labour market and social life (Beresnevičute, 2005, p. 11).

As one of the consequences of cultural integration in Lithuania adaptation of national culture to “European standard” should be mentioned (Laitin, 2002). The standard to be more Europeanised and the orientation for more ideological viewpoint exists. It is more common for Eastern European countries. As Lithuania was for many years member of Soviet Union here there are left some families and their children of other former Soviet Union countries for example, Russia, Ukraine, Belorussia, Georgia and other. Recent 10 years situation in Lithuania has rather changed in terms of emigration as a lot of people left the country when Lithuania became the member of EU. So it must be considered that for Lithuanian citizens cultural integration became an issue in their emigration countries as United Kingdom, Spain, Norway and etc. as well as national identity preservation question remains in there.

Lithuania has not suffering so much cultural variety as other EU countries as mostly cultural minorities are living many years already and that the consequence of historical events, for example, as Polish in Vilnius region. As Lithuania opened borders to the citizens of EU and third countries citizens the situation mostly have changed in higher education institutions as they are having students from different countries from Africa (Nigeria, Congo, Ghana) or Asia (India, Pakistan, Bangladesh) (for example, Aleksandras Stulginskis University, Kaunas University of Technology). The cultural variety exposed some changes but it might be stated that they are not essential in the country level. Educational institutions’ staff sometimes are facing the lack of cross-cultural skills as much as skills in managerial and in teaching level too when cultural variety appears. The globalisation forced to evaluate the skills and capabilities to adapt to multicultural environment despite some fear of loss of national identity.

In adapting to the new cultures the old problems just have to be solved in Lithuania (Pervazaitė, 2014). In Lithuania xenophobia, homophobia and social distance were rather dominating. Some of these old fashioned attributes of behaviour will have to change in order for more effective and deeper cultural integration in favour of less political and social tension in society as in the same for more favourable environment for foreign business investments in the country and more successful activity of Lithuanian companies going on international stage. From the other hand, such a small country as Lithuania must be oriented to national identity cherishment to stay unique. In these conditions the smart and thoughtful decisions are necessary for striving to be competitive and attractive in economic sphere.

The specificity of Polish culture and management

Inter-cultural determinants strongly shape the functioning of many companies. It is, however, differentiated depending on whether the company represents the domestic, international or multinational kind. At the stage of a domestic company, the cross-cultural aspects are not very important. This is evident especially in Poland, which is inhabited by the representatives of nine national minorities: Belarusians, Czechs, Lithuanians, Germans, Armenians, Russians, Slovaks, Ukrainians, Jews and 4 ethnic minorities: Karaites, Lemkos, Roma and Tartars. Further in Pomorskie province there are Kaszubs – the community which used regional language (Paszowska–Rogacz, 2006, p. 18). It means that labour force is practically ethnically homogenous (Grandys and Grandys, 2010). It changes, however, radically if the company reaches the status of international corporation, multinational one or finally – global (transnational). For example, knowledge of foreign languages and business protocol is a prerequisite for communicating with foreign suppliers and buyers as well as managers who come from different countries and represent a variety of cultural backgrounds.

Cultural factors are of great importance for running an international business (Kania, 2010), and strongly shape the functioning of many companies (Grandys and Grandys, 2010). A variety of cultures coexist in the global market and many of them might be entirely new and strange to us. Different business cultures in different countries lead to distinct commercial practices. Therefore, executives operating internationally encounter difficulties that people managing enterprises on a local scale do not have to face. The concept of culture has many meanings. All of them, however, originate from Latin, where culture stands for cultivation. In a majority of western languages, culture is identified with civilization or intellectual refinement manifested in education, art and literature (Hofstede, 2000). In addition, it is a social phenomenon as it is common for people existing in a given social environment.

Culture is acquired and learned in the environment. Culture contains the entirety of attainments of a given society handed down from generation to generation that concern e.g. beliefs, models of conduct and rules of coexistence. It forms sets of rules, conceptions, and categories, concepts accepted in the society and determining obligatory behaviours (Nogalski, Jarocki 1998, p. 70). Nevertheless, while contemplating culture we think about its region, ethnic and religion diversity, and also organizational culture, alias corporation culture. The fundamental dimensions of national cultures that differentiate us are (Kania, 2010):

- _ attitude towards regulations and principles,
- _ individualism versus collectivism,
- _ fragmentary versus holistic perception of the world,
- _ ascribed status versus achieved status,
- _ attitude towards time,
- _ attitude towards environment.

The culture of Poland is going through the transition process. The political and economic changes shape the society and there is obvious transition in main cultural dimensions i.e. power distance, individualism, uncertainty avoidance, masculinity and short term orientation. In the cultural process of transformation in Poland, four main stages may be distinguished (Theodoulides and Kormancová, 2013):

- _ first stage: years 1989 – 1995 characterized by the beginning of transition to market based approach, and the extensive privatisation process,
- _ second stage: years 1996 – 2003, which is characterized by the emphases on the gaining the new managerial experience offered through many mergers and acquisitions, rapid development of the foreign cooperation offered by various international experts and international programs,
- _ third stage: years 2004 – 2008, in which the main event that was the entrance into the European Union,
- _ fourth stage: 2009 – till present, characterized by the effects of the global economic recessions as the part of the world global market.

According to Theodoulides & Kormancová (2013), the characteristic features of Polish culture include: individualism, discipline and loyal to old principles, strong preferences for formal structures, presence of both “old” and “young” management, zero correlation between age of organisation and management style. It is necessary to emphasize that Poland adopted also some characteristics of the American and also Asian cultures as a result of multinationals from these geographical regions (Goodyear, Toyota, etc.). One of the main changes was strong shift from collectivism towards more individualism dimension, especially within the young generation. Another change occurred is that Poles are willing to work long hours and take few holidays in order to achieve higher carrier and earn more money. On the other hand, however, Poland is still regarded by foreign investors as a culture with little initiative, no questions and lack for innovations and new ideas (Lithuania appears even in worse position in this case) (Figure).

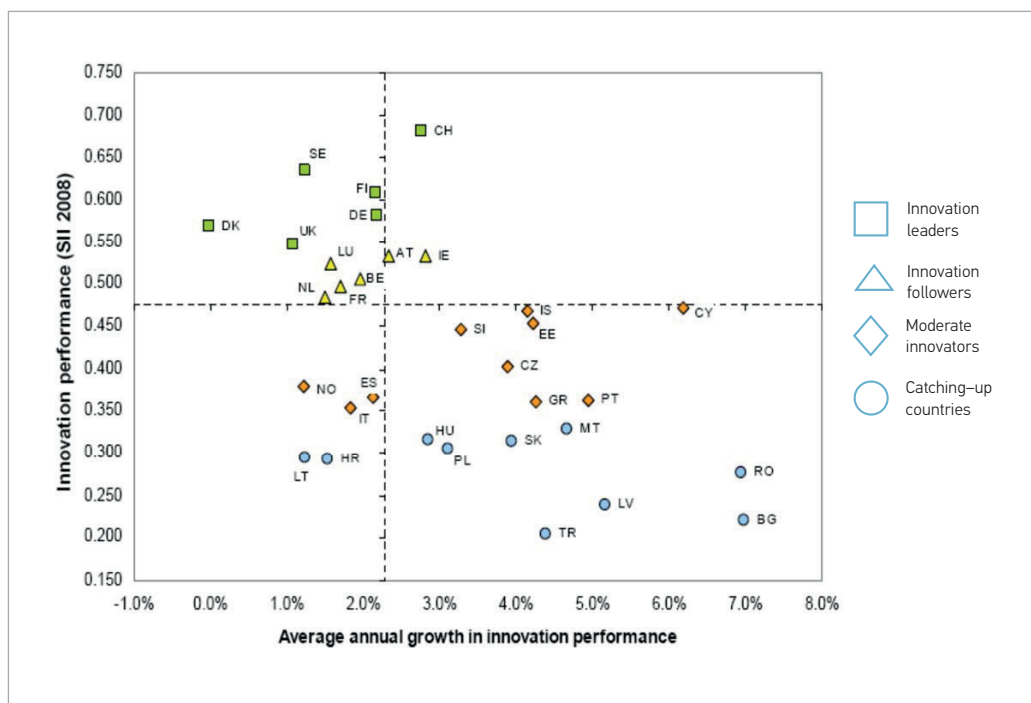


Figure 1

Innovation on Poland vs. innovation of other countries. Source: Theodoulides and Kormancová, 2013

**Main
challenges of
companies
acting in
multifaceted
environment
and measures
for further
improvement
in both
countries –
Poland and
Lithuania**

In the overall context of the country it should be mentioned that lack of innovation influence and managerial issues as cross-cultural management appliance effectiveness in Poland. Traditional viewpoint to decision making is often not effective in very fast changing economic conditions. GLOBE research (House et al., 2004) has showed that Poland business culture was similar to Greece, Hungary, Albania, Slovenia, Russia, Georgia, and Kazakhstan and represented Eastern European countries cluster with quite high team orientation, autonomy, self or group protectiveness, but participation, orientation to performance were expressed as rather low.

Intercultural awareness, especially within a global enterprise is a critical principle to the components of the value chain and overall business success (Reidy, 2010). These companies face the challenge of managing complex multi-environment system of multiple societies. On the one hand, the business activity of large companies all over the world increasingly links various nations and cultures, however, on the other hand, it reveals profound differences between people and nationalities on the level of communities, individuals and organisations (Murdoch, 1999, p. 20). Therefore, to achieve their goals, global corporations need, among other things, to overcome cultural barriers in managing foreign subsidiaries or even at the beginning born to act globally. It means that developing knowledge in this area is significant.

People working for such companies have to deal with the following challenges:

- _ handling the language barrier, as they have to communicate with global colleagues daily or weekly,
- _ dealing with stereotypes and prejudices,
- _ ability to communicate effectively,
- _ they are dependent on other global workgroups from different regions, and countries with different culture to successfully complete strategic projects and programs,
- _ managing global projects and dealing with multiple people,
- _ have to be opened to new ideas and develop creative solutions.

Workflows are coordinated across global locations at their company, and cultural differences arise mostly due to the lack of cultural awareness. On the other hand, it is necessary to emphasize that there are different problems and possible conflicts when people from different cultures cooperate with each other. When global teams consist of more than one culture, the individuals within the team bring with them preconceived beliefs about team members from the other cultures and it is these beliefs that could lead to unintentional conflict due to misunderstandings (Rothbard, 2009). It also requires different strategies to manage them successfully. These strategies include (Brett et al., 2006):

- _ adaptation, which is used to combat situations where conflict arises due to differences in decision-making or misunderstandings are experienced when communication differences from one or more individuals avoids or ignores another individual or individuals due to challenges in the communication process. The adaptation solution requires cultural awareness amongst members and time to analyse the challenge and direct the individuals towards a common understanding,
- _ structural intervention, which assists by temporarily subdividing teams to mix cultures or expertise,
- _ managerial intervention, which is generally used when a problem or real challenge appears irresolvable,
- _ exit strategy, which is usually applied to longer-term problem situations.

Beside specific organisational cultures, also national culture differences are a matter of concern in international corporations, Poles, Germans, Americans or the French have a different perception

of such values as teamwork, a different attitude to regulations and procedures and they perceive dimension of time differently. Taking these differences allow to elucidate the grounds of communication, management or collaboration problems, as well as to decide on the course of action. Cultural differences can be frustrating for businessmen or companies. Ignorance and non-observance of the rules and national customs valid in a given country may entail breaking promising negotiations, cause unintentional offence to a foreign customer or other instances of social blunders. Therefore, profound knowledge of customs and practices applied in international business is of great significance. There are two basic rules in this regard (Gesteland, 2000, p. 125):

- 1 the seller is expected to adapt to the buyer in international business
- 2 the visitor is expected to observe local customs in international business.

One should also remember that in large companies (not mentioning global corporations) main communication occurs via satellites on the internet through modems connected to laptop or computer. Even then, cross-cultural sensitivity is essential when participating in teleconferences or videoconferences. Electronic media also require appropriate etiquette and protocols to create cultural synergy (Moran et al. 2014).

The expectations presented should determine the actions of companies operating in different cultural conditions and businesses must develop cultural sensitivity to communications between people from different centralized and distributed subsystems and cultures (Reidy, 2010). Major determinants of human actions are individual and organisational factors which are influenced by three levels of mind programming. (Rozkwitalska, 2011).

They include:

- _ national culture bonded, like: cultural distance, cultural shock, cultural stereotypes and auto-stereotypes, prejudices, and national ethnocentrism,
- _ organizational: global corporation's headquarters' characteristics, institutional ethnocentrism, the cultural gap, and subsidiary's characteristics,
- _ individual rooted, like: ethnocentric attitude, perception barriers, low international experience of individual, his or her characteristics, insufficient level of cultural intelligence and cultural competences.

In terms of Polish and Lithuanian companies foreign companies acting in the countries could be good examples of implementation of cross-cultural management principles in their activity.

Integration of third countries citizens in Lithuanian labour market

The last statistical data recording of Lithuanian citizens made in 2011 in the level of all country shows that situation has not significantly changed during last years. In Lithuania there were living the citizens of 154 nationalities: 6.6 percent of Polish, 5.8 – Russians, 1.2 – Belarusians and 0.5 – Ukrainians. Lithuanians consisted 84.2 percent of population. Without mentioned before nationalities there are living Armenian, Georgian, Chechenia, Azerbaijani, Afghanistan people as well as Jewish and others. Lithuania did not become a destination country for new immigrants because of economic and social situation. Although some tendencies might be observed in data (see Table 1). The latest refugee situation in EU Lithuania is not so concerned as it is with Germany or Austria, Greece, Hungary or Sweden.

Looking at the data in Table 1 the numbers are presenting the growing tendency of incoming people. It might be possible to consider that in the first years of Lithuanian membership in EU there were just small interest in Lithuania by immigrants.

Particular issues in Lithuania and Poland influencing the changes in applied cross-cultural management

Table 1Immigration
tendencies in Lithuania
2002–2014

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Incoming people	5110	4728	5553	6789	7745	8609	9297	6487	5213	15685	19843	22011	24294

Source. Lithuanian statistical department, 2016.

Table 2Foreign citizens
living in Lithuania (in
thousands)

	2009	2010	2011	2012	2013	2014
Number of citizens	3176,3	3137,0	3052,6	3007,8	2979,3	2944,5
Foreign citizens	32,9	32,5	29,6	31,3	32,3	35,5

Source. Migration department of Lithuania, 2015.

The tendency of later years presents that numbers were growing almost more than 3–4 times. Still it might be considered that immigration of foreigners to Lithuania remains very low with the annual average of several thousand people. In 2014, 4.8 thousand foreign nationals immigrated to Lithuania – 700 of them from EU and 4.1 thousand from non-EU countries. In 2014 immigration increased also due to the increased labour demand: the number of issued work permits for third country nationals increased. Most foreigners come from Russian Federation, Ukraine and Belarus. As it could be considered in Table 2 still numbers of foreign citizens are growing slowly. More vulnerable question remains that Lithuanian citizens leave the country and choosing other countries for living and working. It is counted that about 1 million Lithuanian citizens work and live abroad. And the main issue is that more high skilled workers leave the country for insufficient economic conditions.

More detailed analysis of the situation presents that in Lithuania as foreign citizens reside people from Latvia, Poland, Germany. Russian, Ukrainian, and Belarussian people are residents in Lithuania as well (see Table 3). It could be stated that the situation is caused by geographical situation and neighbourhood policy.

According Berseneviciute et al. (2009) in Lithuania there are just a few migrants' communities. The tendency is observed that new coming people from abroad rare keep the relations with such kind of communities. According Eriksen (2007) Lithuanian migration policy is more social than oriented to cultural integration.

In Lithuania the rights of foreign citizens residing in here are defended by Constitution and international or bilateral agreements. Despite that in Lithuania any congruent document enforcing the rights of third countries citizens was not in act. Some fragmented questions are discussed in legal documents as immigration is treated as measure for solving some economic problems suffered in the country (EMN, 2012). As it was discussed earlier the Convention of Minorities Human Rights is not implemented appropriately (EFHR, 2014). Even some misconducts of legal acts were observed.

In 2007 Lithuania did some appropriate actions in accordance to migrants' economic activity. It was "Strategy and its implementation measures for economic migration regulation" (Ekonominės migracijos reguliavimo strategija ir jos įgyvendinimo priemonės) (LRS, 2007). This document considers the vision and policy of migration in Lithuania (Žibas, Platačiūtė, 2009).

The newest document in the field of minority policy is prepared to adopt – "Ethnic minorities" policy development strategy, year 2015–2021" (Tautinių mažumų politikos plėtros strategija 2015–2021 m.) (LRV, 2013). A lot of discussion before the adoption of the strategy were fulfilled.

The document still is on discussion because of different disagreements in the field of surnames writing in non-Lithuanian symbols and double names of streets, for example, in Lithuanian and Polish.

The economic policy of migrants in Lithuania is regulated by the Law of Legal Status of foreigners (Dėl užsieniečių teisinės padėties) (LRS, 2009). This legal act regulates the most important spheres of foreigners living in Lithuania. After year 2011 third countries citizens are getting more and more possibilities integrate themselves into social, cultural and business environments in Lithuania. The special funding takes care of providing consultations how to establish new enterprise, giving financial and legal knowledge. There are courses on Lithuanian language, culture, entrepreneurship organised for foreigners for better integration in labour market and social life.

Citizenship	Number
European countries	28265
EU countries:	3655
Latvia	718
Poland	548
Germany	550
EFTA countries	135
Other European countries:	24475
Armenia	428
Belorussia	5846
Georgia	326
Russia	13331
Ukraine	3713
North America countries	415
Central and Southern America countries	113
Australia and Oceanic countries	28
Asia countries:	2396
Israel	380
Kazakhstan	321
China	339
Lebanon	183
African countries	378
Other	3892
Iš viso:	35 487

Table 3

Foreign citizens according the countries in 2014

Source. Migration department of Lithuania, 2015.

In 2014 in Lithuania new Lithuanian migration policy guidelines were adopted (LRS, 2014). In them the most important tasks and principles were determined as well as the main migration policy directions were defined. Migration process monitoring, refugee policy, foreigners integration, measures with illegal migration and international cooperation in the sphere were encountered.

Integration is bilateral agreement depending not only on the incoming people but on the attitude of society. From this viewpoint various cultural events are actual and organised. Essential competence is cross-cultural in cultures dialogue. The main issue stays intolerance for different cultures. In Lithuania people were more positive to citizens of Western Europe countries (France, Italy, Belgium, and Germany) and Central European countries as Latvia, Czech Republic, Slovakia (Beresnevičiūtė, Leončikas, Žibas, 2009, p. 40). Third countries citizens were valued worse and attitude to them is sceptical. It must be stressed that the members of the states who countries are less supported in economic and cultural profit in EU are more nationalistic (Fligstein et al., 2012). Sometimes people think about EU as “elite” project.

In Lithuania according the research data it is possible to distinguish common problems concerning ethical minorities and third countries citizens when integration in labour market and life in Lithuania (Okunevičiūtė – Neverauskienė, 2009):

- _ Insufficient Lithuanian language knowledges;
- _ Negative employers' attitude;
- _ Discrimination for race;
- _ Diplomas without confirmation;
- _ Nationalism in general;
- _ Intolerance in society.

In terms of more effective cultural integration in Lithuania it must be considered and some specific projects which enhanced third countries citizens. As one of them is a project initiated in Lithuania and named “Tolerance and based on common understanding relationship development between Lithuanian citizens and third countries citizens” (see ESF page). By this project it was focused on the improvement of Lithuanian society under the cultural diversity and trust in relationship and positivity to integration. In the same year another project was started – “Intercultural competence and skills education towards the tolerance society creation”.

In 2014 one very important project was started devoted to “Labour migrants' life and work conditions research”. In Lithuania there were implemented ten projects under the European Social Fund financing devoted to cultural integration and integration in labour market. It is possible to consider that the projects helped to develop cross-cultural skills and improve situation in terms of cross-cultural management.

Example of AMG in Poland

There are many global corporations existing in Poland. They are observed in a variety of sectors: automotive, banks, chemicals, food, steel and several other industries. One of them is ArcelorMittal Group (AMG) which is the world's leading steel and mining company. In 2004 ArcelorMittal purchased the steel companies in Poland constituting ca. 70 % of market share. These theses presented earlier are especially suitable to this group which employs 222,000 people across 60 countries (with an industrial presence in 19 countries). As Reidy (2010) claims, a constant development of cultural awareness is important in the creation of a learning organisation, as well as a concept of knowledge management. It was developed by ArcelorMittal group. Shortly after acquisition

of Polish steel companies, the group implemented the assumptions of knowledge Knowledge Management Program (KMP), which was broken down into four levels: level 1 – top management; level 2 – senior management; level 3 – middle-level management; and level 4 – junior management. A key component of the program is the participation of managerial staff in the “Manager Academy”. The Manager Academy Program was implemented in 2006 and comprises three main blocks (Gajdzik, 2008):

- Fundamentals and knowledge – its purpose is to construct new employee approaches and new organisational culture and goodwill,
- Management skills – covering performance management, leadership, personal effectiveness, cultural awareness, and team leadership; generally speaking its purpose is to improve the skills and competences of the management staff,
- Professional skills – consisting of training in innovative and analytical thinking, dealing with stress, decision making, labour law, recruitment interviews, lean manufacturing, value chain management, project management, commercial negotiations and negotiation techniques, business communication, change management, and conflict resolution.

Another important component of the program is the exchange of knowledge and experience amongst the employees of the corporation as a whole. The group systematically organizes internal meetings, treating them as part of the exchange of experience; holds meetings with experts and scholars outside its structures; as well as participating in national and international conferences, symposia and workshops. It is estimated that approximately 35 percent of its staff are trained every year, and furthermore that knowledge is distributed via an effective system of communication. Sharing of knowledge and the implementation of best practices are integral to its management philosophy. Through its global Knowledge Management Program, ArcelorMittal shares, develops and utilizes its knowledge and experience across all the existing facilities and subsidiaries to accelerate improvement in business performance. The KMP comprises all key functional areas, such as procurement, marketing, logistics, health and safety, steel production and processing, and customer service. The KMP includes ongoing benchmarking, regular technical meetings and information-sharing at the corporate, regional and operational levels to drive improvement in performance, enabling each business unit to benefit from economies of scale and access to the best practices and experience available within the corporation. Therefore, the KMP contributes to enhanced quality, productivity and profitability across the whole group (Sroka et al. 2014).

Cultural diversity is becoming the standard in most areas of life in Europe. Even for those with little interest in foreign cultures or in mixing with others culturally different from themselves, many everyday situations require intercultural interactions. It relates to the workplace, public services or educational institutions. Therefore, people at all levels of the workforce, i.e. managers, employees, customers find themselves in new roles with new challenges. Such interactions require a new mind set and a repertoire of skills beyond what was adequate for interaction within one's own cultural group (Paszowska-Rogacz, 2006, p.10). Given these facts it is very important for managers to understand the dynamics of cross-cultural adaptation. Whether one is concerned with intercultural training, education, or development, all employees should learn about the influence of culture and be effective of cross-cultural communicators if they are to work with minorities in their own society or with foreigners encountered at home or abroad (Moran et al., 2014, p. 26). That's because a person who is culturally different may go through some form of 'culture shock'. If managers know little about this phenomenon, they can react improperly to

Discussion

the employee's behaviour and make the situation worse. Therefore organisations often need to re-think their existing procedures to better meet the needs as well as the opportunities offered by a new culturally diverse workforce. In other words, intercultural communicative competence becomes a vital priority in all areas of life.

Cross-cultural management takes into consideration cultural context. Its goal is not to eliminate differences between different people but to use these differences to enhance creativity – and thus performance – within an organisation. One may say that multi-cultural environment is very challenging, however, simultaneously it may also be a wonderful learning opportunity if managers understand these differences. An effective manager is able to communicate with people from various backgrounds. Those who hold this position support training programs to help those who are different fit into the dominant organisational culture.

Given the facts above, no wonder that the intercultural management's training area develops constantly in Poland. Of course, it relates rather to the large companies, as there will be a great number of firms, which never plan to train their employees in the intercultural management area. There are mainly micro and small entrepreneurs from the local level. Training organisations will include this kind of training, workshop or seminar in their offer as a permanent possibility to learn for clients. The prices of these training will go down and probably, for a few years the intercultural training will more universal than today in such countries as Poland and Lithuania.

In terms of Lithuania and Poland situation research discloses that both countries have culture based on one basic as Lithuanian and Polish. Cultural diversity exist in the countries but it does not influence very much economic and social life of the countries. Cultural integration process is more based on managing the minority groups than constructing some very diverse society model in the countries. In Poland global companies are performing their activity as it was discussed in AMG example. Lithuania is lacking such companies because of quite narrow market and not so favourable economic conditions.

In terms of business and labour force integration in labour market of both countries international and multinational companies apply cross-cultural management principles as well as national companies going abroad are doing the same. The main issue lays upon effectiveness of implementation and especially it might be related with managers of the companies working with multicultural team and going to international or even global markets. Poland as a big country was always more focused on internal market and now on influence of globalisation the situation is changing. It requires to be open minded for other nationalities in Poland and abroad. Lithuanian market is even more complicated now as in Poland because it is quite small and companies must orient their products for, at least, international market, as going to some EU countries. For both countries, Lithuania and Poland, cross-cultural management is challenging for the discussed reasons and becomes more and more important.

As some changes are happening in EU it reflects Poland and Lithuania in terms of cultural groups and different nationalities in the countries and their integration in economic and social life. The focus of countries on national identity preservation was always in alert, but economic situation forces to adapt to changing conditions and re-evaluate cultural integration possibilities in the countries. As appropriate measure in such situation education on multiculturalism and cultural integration should be mentioned (Greblikaite, 2015). The role of cross-cultural management basics in study programmes at higher education institutions should help improve the situation in terms of bigger tolerance and positivism. Appropriate skills and abilities could be gained and/or developed at higher education institutions if study programmes would be effectively involving them.

Lithuania and Poland being neighbourhood countries do not express significant differences in dealing with other cultures or minorities. Both countries have dominant culture – Polish and Lithuanian and the biggest part of citizens are Polish and Lithuanians accordingly. Globalisation and economic changes influence business in the countries to internationalisation and even global scene. Some global companies are coming in Poland and fulfilling their activity there on the same hand presenting the high standard of cross-cultural management as an example for other foreign and domestic companies. In case of Lithuania only international companies are acting in the market but situation might change every day. Lithuanian companies are working internationally or globally with specific products, especially IT. In both countries the preference issue is managing minority groups in terms of integration of them in labour market and social life. National identity question is often raised in public discussion and remains very actual and important, especially for such small in population countries as Lithuania. Cross-cultural management remains as the main tool for companies in both countries striving to be competitive in the EU and global market.

Conclusions

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