

Researching management in Central and Eastern Europe: researcher, manager and management practice

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The collapse and subsequent transformation of the former communist regimes of Central and Eastern Europe and the Soviet Union have provided a rich seam of research activity. There have been countless researchers from a range of disciplines who have seized the opportunity to undertake research in and on the countries of the region. The volume of output emanating from this research has been substantial. To take just one example, 'The Economics of Transition' (Vol.4 [1], 1996) reviewed no fewer than 14 books on various aspects of transformation, and the number of publications are but the tip of the iceberg indicating the volume and variety of projects and researchers.

A large proportion of the research has dealt with the macro and micro economic dimensions of the transformation. At the same time there have been case study-based projects focusing on enterprise change. In this essay I wish to present and review some of the issues facing the 'foreign' researcher of management in the former command economies of the region, in particular the relationship with local managers and management practice.

A basic issue relates to the concept and definition of management (what management as a topic of study and research is) and its relationship to practice (what managers do). Linstead (1996: 15-17) presents a complex characterization of management which is defined as, *inter alia*, a social process embedded in a socio-economic context as well as a function involving thought and emotion. A number of studies have highlighted the fact that there may be a substantial divergence between traditional prescriptive theories of management and the everyday reality and practice of management. This discrepancy may be of greater significance than the perceived differences in the ways managers operated under the former economic system. Pieper (1989), amongst other writers, has noted the similarities as well as the differences between 'Leitung' in former socialist enterprises and 'western' conceptions of management in his comparative analysis of management in East and West Germany. Individuals in parallel positions in companies in the two former parts of now unified Germany, were viewed as adopting broadly similar approaches in seeking to achieve enterprise/company goals. In spite of the different nature of the respective goals it was possible to identify a range of similarities in the way individuals in managerial positions operated.

Because of the difference of economic systems, however, there were a number of clear differences in the knowledge, skills, behaviours and attitudes required to be demonstrated by managers. It is not therefore surprising that a 'managerial

gap' was identified as one of the deficiencies of the post-communist system. Interestingly concerns with the quality of management have also been expressed in the advanced capitalist economies such as the United Kingdom, Germany (e.g., Ogger, 1992) and Italy (Celli, 1997).

The position and evolution of managers in Central and Eastern Europe thus present themselves as a challenging and valuable topic for research. The value of this research is intrinsic (i.e., as a contribution to our characterization and understanding of management *per se* and of management in different countries). This research moreover, is potentially a powerful contribution to the development and improvement of management practice. The change of economic systems has required managers to acquire new knowledge and skills in order to organize and use resources effectively. However, it is difficult to make a worthwhile contribution to managerial development unless one has an understanding of the context within which managers operate. This context comprises a number of factors including the firm, the industry and the historical development of the country in which the manager is operating. The importance of historical and cultural factors is often neglected or underestimated. Soulsby and Clarke (1996:244), for example, in their analysis of management learning in four large, former state-owned enterprises in the Czech Republic, indicate that 'the evolution of post-communist enterprise management has been particularly affected by the refinement and redevelopment of ideas and practices drawn from pre-1989 state socialist experiences'.

While the manager may thus be the central focus of research activity, the activities of managers have to be related to the context in which they operate. This raises in itself a number of issues relating to the interaction between manager and researcher, more specifically: How can the interaction in the research process between researcher and manager contribute both to the furtherance of research and to the improvement of management practice in the countries of Central and Eastern Europe? How can the research demonstrate both high quality and relevance to practice? How can managers benefit from their involvement in research?

There are at least two aspects of the role of the researcher which influence the relationship. First, the researcher may adopt the role of the explorer: (s)he is keen to discover what is going on, to identify significant factors and processes, to record and evaluate. In many cases the researcher will also be an outsider, someone to whom situations and environments will be unfamiliar or only weakly understood. As research progresses the researcher's understanding will increase. However, in most respects (s)he will continue to be an outsider, not directly involved in the activities of the managers and organisations being investigated. There are both strengths and weaknesses in the researcher's position as outsider, including detachment and the potential for asking even apparently 'simplistic' questions and for pressing for further clarifications. In such a situa-

tion, the researcher remains outside the political processes of the organization and can therefore collect data without being overly concerned with its political implications. Being an outsider, however, has elements of vulnerability: the researcher can only gradually gain awareness of the complex relationships prevailing between individuals in the organization; furthermore, the data (s)he collects may be filtered and distorted by the individuals whom the researcher meets. On balance, the strengths outweigh the weaknesses so long as the researcher strives to maintain the validity of the data and conclusions. The researcher may thus become a kind of outsider within the organization, taking advantage of this position to collect more data and to corroborate the data already collected.

What role does the manager play in the context of the research process? Managers may remain mere objects of the research, mere sources of data for the researcher. On the other hand, managers are also the subjects of the research and, as subjects, they play an active role in the research process. They control the supply of data to the researcher and individual managers may act as gatekeepers to other sources of data. This viewpoint recognizes the power of managers over the research process. A participative methodology, however, in which managers play an active role, may capitalize on the knowledge and power of managers to the benefit of the research process as well as of managers' own professional development. To quote Gill and Johnson (1991:4), 'The research process, while having the means of advancing knowledge, also serves as a disciplined and systematic procedure of management development'.

Such a participative approach was attempted in a recent project on company transformation in Hungary (Bögel, Edwards and Wax, 1997). One part of the project involved the accounts which senior managers in a number of companies had written. These accounts related and analysed the recent development of their respective organizations, stressing strategic issues. The managers' own accounts were complemented by semi-structured in-depth interviews conducted by the researchers. The purpose of the interviews was to explore in detail a number of key issues raised by the managers, collect and update data and check the consistency of data over a 2-3 year period. The researchers then used the managers' accounts and interview data as primary sources for describing and analysing the development of individual companies.

The work of the researchers was then shown a final time to the managers who were encouraged to provide further updates, make comments (for example, correcting factual inaccuracies) and discuss interpretations. The final output of this part of the project was thus the result of an intensive interaction between the researchers and the managers involved, the latter having active participation in the research process, although the overall project remained predominantly under the control of the researchers themselves.

It could be argued that this participation in the research process can also contribute to managers' own professional development. The process described previ-

ously gives managers the opportunity to reflect on the evolution of their respective organizations, and their own managerial practice. This opportunity for reflection is complemented by the interaction with the researcher(s) and with their schemes of reference and interpretation. It was, moreover, not uncommon within the research process for managers to ask the researchers explicitly for their views and interpretations.

It would be wrong to overestimate the impact on management development of such a participative research approach, but it does at least offer managers the opportunity, wherever possible, to benefit in however small a degree from the interaction with the researcher(s), even though not all managers will necessarily take advantage of this opportunity. According to Maruyama (1993:163-4), 'The transition to free-market systems entails a change from one type of expertise, cleverness and hard work to another, from one social interaction pattern to another, from one type of self-image to another. Depending on individually different epistemological and psychological types, the change may be liberating or anxiety-provoking, gratifying or frustrating'. Different managers are thus likely to respond in different ways to the opportunity to participate and reflect.

A further contribution made by researchers lies in the dissemination of their findings from researching management in Central and Eastern Europe. Certainly, managerial practice needs to be related to theoretical concepts and models. However, there are also other reference points for assessing management practice in transformational economies, including practice in the advanced capitalist economies and the situation obtaining at the beginning of the transformation period. A 'true and fair view' of management practice in Central and Eastern Europe needs to take into account all of these dimensions. Otherwise, the picture presented of management in the region can tend to be overwhelmingly negative. Continuous negative reinforcement, moreover, will do little to inspire managers - east or west - to improve their performance.

Managers in the region are continuing to face enormous challenges within their organizations and national economies. These challenges have to be faced but not all of them can necessarily be speedily resolved. Nearly a decade after the fall of communism many managers are still practising survival management. What may help managers in such critical situations is the belief and knowledge that they are not doomed to fail, that managers in similar circumstances have managed to succeed. This can in part be achieved by identifying and disseminating examples of local good practice and indigenous role models. This does not mean that researchers should discriminate in favour of examples of good practice, seeking out specifically only successful companies. They should, however, with an understanding of the context of companies and their managers, balance the positive and the negative, recognizing the scale of the difficulties within which managers in the region have to operate. While maintaining the integrity and quality of their research, researchers may thus - by encouraging Central and East European

managers to reflect on their performance and by identifying and transmitting local examples of successful practice - act as small catalysts to the improvement of the performance and effectiveness of managers in the region.

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Researching Management in Central and Eastern Europe: Researcher, Manager and Management Practice - Comment and Views

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When analysing research endeavours in the management field in Central and Eastern Europe in the transition, one has to define the meaning of management. My understanding of management is based on the definition that management is the process of organising and directing human and physical resources within an organisation to meet defined objectives (Collins Dictionary of Business, 1991). The key management roles include many, they extend from planning to control. Some more broader interpretation of management might open the space to analyse privatisation, SME sector development, and some other issues too. One can perceive management in a more narrow or in a broader sense. My comment and views will be based on the first more restricted meaning of management.