Business Culture and Behavioral Characteristics

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Abstract: The main goal of our research, and thus, of our present study, was to explore some problems and issues of business behavior and etiquette in Slovakia and Hungary. The international comparative research program launched by Fam and Richards was our starting point, in which we examined these two countries. We found that due to the cultural differences in the dimensions of the Hofstede model, differences can be detected in business ethics and etiquette in the business life of Hungary and Slovakia, which can be supported by statistical methods. At the same time, our results also showed that almost a half-century since Hofstede research has not passed without a trace in the Central European Region. The transition from socialism to a market economy involved border openings. At the same time, it facilitated the convergence of the business culture of Slovakia and Hungary, changing the relative position of these two countries on the Hofstede scale. We drew attention to the fact that it would be worth repeating Hofstede's research to record socio-economic changes, in the case of intensely transforming societies and countries.

Keywords: business behavior; business etiquette; business ethics; cultural differences

1 Introduction

Culture largely determines people's daily lives, about which many definitions have come to light over the past decades. Culture is the same age as humanity. The complexity of the concept reflects the fact that while Alfred Kroeber and Clyde Kluckhohn compiled 164 definitions of culture in 1952, by now, this number has presumably reached the order of a thousand [39]. Although all these definitions are close to each other, they differ. They depend on the age and

society, the approach, and the purpose of viewing culture [46]. The purpose of the present study is to map, following Hofstede's culture model, how to behave in a business meeting, the patterns of behavior accepted by business people, and the key to a successful business in Slovakia and Hungary. On a theoretical level, therefore, we review the concept and role of culture in business and then use the results of primary research to present the similarities and differences between the business cultures of the two countries.

1.1   The Concept of Culture

Culture is the unique nature of a social group that distinguishes it from other social groups. Culture develops from patterns of behavior created by a group of people in response to fundamental problems of social interaction. It manifests in the values, beliefs, and norms of a group, the typical patterns of behavior of group members, the choice and use of rituals and symbols, the social, economic, political, and religious institutions, and the ideology that underlies the institutions.

Perhaps the most significant cultural research is Geert Hofstede's research, but Trompenaars's study [57], examining cultural values is significant. Since the publication of Culture's Consequences: International Differences in Work-Related Values [27], thousands of empirical studies have been inspired by this work [51]. According to the Social Science Citation Index, Hofstede's work is more widely cited than other studies. The most important cultural models are: Hofstede [27], Hofstede and Bond [29], Hofstede [28], Schwartz [54], Trompenaars [57], Smith et al. [56], House et al. [32], Bond et al. [7], McLean and Lewis [44].

Hofstede [27] interprets culture as the collective programming of thinking that distinguishes one group of people from others. He developed his theory based on his research - data collected from 116,000 questionnaires in 20 languages, involving 88,000 employees in 72 countries at IBM between 1967 and 1969, and again between 1971 and 1973.

The *individualism/collectivism* factor expresses the extent to which individuals care only for themselves and their close family and how much they feel responsible for members of a large community who can also count on their support in return. The factor of *avoiding uncertainty* expresses how members of a community can face uncertainty and take risks. Three indicators play a role here: adherence to the rules, duration of employment, and stress endurance. *Power distance* is an expression of the extent to which members of a society or community who receive less power accept the unequal distribution of power. *Masculine / feminine* values refer to gender-related role sharing in a given society. For example, East Asia, Central Europe, and the Anglo-Saxon states are predominantly masculine societies. In contrast, northern and Latin Europe, and many African cultures, show more notable feminine characteristics.

Any of Hofstede's four dimensions can have an impact on the methods used in negotiations. In addition, each dimension can affect the relationship between the negotiators. As a result, all of these can shape the negotiation process and its outcome [23].

Hofstede and Bond [29] created the fifth dimension, Confucian dynamism (*long-term/short-term orientation*). Long-term orientation refers to future-oriented values such as perseverance and frugality. Short-term orientation refers to past and present values such as respect for traditions and fulfilment of social obligations.

Later, the sixth dimension was added to Hofstede's [27] model, *Indulgence versus Restraint*. The indicator refers to the level of acceptance of each culture related to the enjoyment of life and entertainment, or how restrained each culture is due to strict social norms [28].

Hofstede's [27] work has been widely criticized, among other things, for grouping culture into four to five dimensions, restricting sampling to a multinational firm, or neglecting cultural heterogeneity within a country [53]. However, despite criticisms, researchers prefer this kind of 5-dimensional division because of its clarity and providence [35].

Hofstede's dimensional concept of culture dominates in international management and cross-cultural psychology; on the other hand, his dimensional concept neglects cultural dynamics [6]. With the economic development of countries, modernization theory predicts changes in cultural values. In Hofstede's value dimensions, country scores may change, raising the further relevance of the framework [5]. Eringa et al. [17] and Gerlach and Eriksson [21] repeated some elements of Hofstede's research. They observed significant differences from the original model in several respects, suggesting that individual cultures are not constant but constantly changing.

1.2   The Role of Ethics in Business

In today's globalized world, business actors face several ethical questions in their daily decisions in a dynamic and changing environment. The role of ethics in business has opened up a remarkably new field of research. Most bibliometric studies focus on the volume and citation of papers on the subject [8] [9]. In business situations, the question often arises in the minds of actors: What should I do? What is the right thing to do? In answering this question, the individual's business principles and personal values and emotional intelligence, which influence daily life and social relationships [41], all play a role [19].

The papers published on this topic in the last decades can be divided into four groups. The first group examines the degree of the ethicality of the individual in the context of entrepreneurial skills: e.g. the role of personal values [26], socio-cultural background [31]. Hannafey [25] points to the unique and diverse moral

problems and ethical dilemmas entrepreneurs often face. Other research examines organizational structure and the evolution of ethics [55], focusing on the relationship between corporate strategy and values that favor (un)ethical behavior [47]. It is typical of the studies in this group that the authors point to differences in ethical behavior between entrepreneurs and non-entrepreneurs, emphasizing the differences in behavior between managers and entrepreneurs [13] [38]. Crane [13] investigated the behavioral differences between managers and entrepreneurs in Canada and found slight differences in ethical behavior between the two groups. Zhang and Arvey [62] published a fascinating study on whether there is a link between the ethical business behavior of entrepreneurs who are highly rule-breaking in adolescence and their ethical business behavior later in adult life.

Another vital contribution to this area is the Sackey, Faltholm and Ylinenpaa [52] study, which pointed out the ethical dilemmas in developed and developing countries. The authors pointed out that the ethical difficulties faced by entrepreneurs in developed countries are substantially different from those faced by entrepreneurs in developing countries, as business actors in the two countries face other challenges. The research experience shows that in linking the concepts of ethics and entrepreneurship, it is essential to emphasize the moral constraints of entrepreneurs. There is also extensive literature on this area of research [12] [63].

There is ample evidence in the literature that the personal characteristics of entrepreneurs make them sensitive in preparing ethical decisions. In this respect, Pellegrini and Ciappei [49] suggest that an individual's skill enables them to make the right decision even in extreme situations with high uncertainty. Another strand of research on ethical decision-making focuses on non-ethical decision-making. Researchers try to find answers to the personal motives behind individuals' unethical decisions. Baron, Zhao, and Miao [4] found a link between money-driven motivation and moral apathy and concluded that moral indifference predisposes to unethical choices.

In the second group, we can classify papers that examine the issue of ethics at the organizational level, i.e. how ethics is manifested in established organizations and how ethics can evolve within the organization as the company's life cycle progresses. Arend's [3] study points out that the organization's dynamic capabilities actively change existing ethical concepts. The results also indicate a positive impact on the overall ethical performance of the organization. Researchers in the field examine their critical findings in the context of stakeholders [45] [20], and corporate social responsibility [24] [33] [40] [58]. Markman, Russo, Lumpkin, Jennings, and Mair [43] point out the importance of one of the roles of organizations to positively impact their environment and society as a whole. The authors show that there are many ways for organizations to pursue a sustainable, ethical and entrepreneurial strategy simultaneously. It is increasingly apparent that organizations today are becoming more and more committed to corporate social responsibility [18].

The third group includes papers that discuss ethical issues of new business models, e.g. social enterprises [61] [22]. Literature studies agree that social enterprises create social value. At the heart of the operation of these enterprises is a response to a social issue [37]. Despite the growing attention that researchers are paying to social entrepreneurship, few have explored the ethical context in which it operates. Instead, research findings only highlight the social and general economic differences between these types of enterprises [10]. Kraus et al. [36] and Rey-Martí et al. [50] use a bibliometric approach, to provide a comprehensive picture of the outcomes of social purpose enterprises, making clear the importance of the topic. Understanding the ethical principles behind the operation of social enterprises raises further questions in the minds of researchers [10]. Chell et al. [10] point out that social entrepreneurship needs to be viewed through the 'mirror' of ethics and that there is currently no successful integration of the two concepts. To fill this gap, they emphasize the importance of considering ethical perspectives in social entrepreneurship. The authors argue that a positive understanding of social enterprises is superficial simply because they contribute to the common good since there are also fundamental business interests behind these enterprises. Dey and Steyaert [15] are also critical of the ethics of social entrepreneurship. They call for further research to be conducted in this area, with a particular focus on rethinking ethical approaches used in the past. They argue that future research might be worthwhile within the field to investigate issues of power-seeking, subjectivity, and the individual's desire for freedom.

Finally, the last group of literature includes papers that examine the broader perspective of ethical business and its impact on society. For example, the research of Anokhin and Schulze [2], using sources from 64 countries, examines the effects of corruption in the corporate environment, summarizing its impact on society. In line with each other, Kaback [34], Pearson, Naughton and Torode [48] and Von Schnitzler [59] have looked at the ethical issues involved in the introduction of new technology into society. Collewaert and Fassin [11] investigated the effects of unethical behavior on the origins and course of conflicts. In their study, they concluded that what business partners perceive as unethical behavior leads to conflict. The authors also conclude that the disputes described above influence the choice of future business partners and the development of business strategies. A further study on the subject has been carried out on investors [16]. The authors investigated how an investor's reputation affects the success of an investment. Their results show that an ethically questionable decision made in the past can even lead to the rejection of a potential business relationship. Their research suggests that the investor's poor ethical reputation can significantly undermine the added value provided by a partnership and the past success of an investor. The issue of entrepreneurial ethics is becoming increasingly important, particularly in emerging and developing economies [1], [14] [60]. Cumming et al. [14] point out that businesses that follow ethical behavior contribute significantly to the development of the Chinese economy and poverty reduction in Chinese society.

As a result of our literature review, we discovered that there are still several unanswered questions in this research area. One of these is the different behavior of individuals and decision-makers in business situations, which we have studied, resulting in a series of ethical and unethical decisions and actions.

2 The Aim of the Study and the Applied Research Method

We aimed to synthesize and summaries the scientific results that deal with the specifics of business behavior, especially concerning individual cultures, and examine companies operating in Slovakia and Hungary in terms of business ethics and etiquette through theoretical foundations. To achieve our goal, we have identified our main research question:

Are there any differences or peculiarities in the field of Slovak and Hungarian business ethics and etiquette that can be discovered?

Our hypothesis is as follows:

H1: Due to the cultural differences in the dimensions of the Hofstede model, despite the common historical past, we can discover significant differences in the business life of Hungary and Slovakia in the field of business ethics and etiquette.

The empirical research was based on an online questionnaire survey, and its participants were representatives of Hungarian and Slovak companies. The questionnaire examines the participants' behavior. This research method also has disadvantages, i.e., the respondents may not be willing and able to provide accurate information to the questions asked. In addition, answering personal and sensitive questions can be a disadvantage [42].

The questionnaire query was followed by data cleansing and evaluation. To examine our hypotheses, we chose the primary research method, including the one-time, descriptive analysis, especially as we obtained our data on one sample at a time [42].

Our empirical research was carried out as part of a more extensive international research project. Within the framework of an international project - Marketing in Asia Group, New Zealand - Slovakia and Hungary were examined in terms of business communication, ethics and etiquette. Professor Kim-Shyan Fam and Dr. James E. Richard, research leaders from Victoria University of Wellington, compiled and tested the questionnaire. The available questionnaire was translated from English into Hungarian and Slovak. Then an independent translator, with no prior knowledge of the original content, translated it back into the original language to allow an accurate cross-cultural comparison.

To collect the data, we needed to create a database of companies operating in Slovakia and Hungary. The size of the companies and the industry were not dominant. The compiled mailing list using the collection pages included the contact details of 938 companies. We sent out our online questionnaire in the spring of 2018. Due to invalid, non-functioning e-mail addresses, our e-mail failed to be delivered in 22 cases. In the course of the research, we used the snowball method from the random sampling procedures. We collected our company manager acquaintances, to whom we forwarded our online questionnaire and asked them to pass it on to managers. After data cleansing, we had a total of 257 completed questionnaires, so the willingness to respond in three months was 28.05%. From this, we can conclude that respondents are likely to be reluctant to participate in such surveys. A total of 103 respondents from Hungary and 154 from Slovakia participated in our research. The completed questionnaires were coded, and then the obtained values were recorded in the table of the SPSS statistical program. This program also conducted the evaluation: univariate, bivariate, and multivariate analyses were performed.

It was necessary to review the cultural dimensions set up by the Dutch social psychologist Geert Hofstede to examine the hypotheses thoroughly and carefully. Hofstede classifies national cultures along six dimensions to characterize society's nature carefully. The most significant difference between Slovakia and Hungary is in the power distance indicator. Slovakia is characterized by an exceptionally high level of power distance between its leaders and their subordinates. Slovakia's masculinity indicator, which measures the cultural prevalence of strength and competition, is also higher than in Hungary. Still, the difference, in this case, is smaller than in the power distance indicator. Interestingly, Slovakia is at the forefront of the world, in these two indicators.

According to Hofstede's cultural classification, Slovak society is also more future-oriented than Hungarian society. Hungary is ahead of Slovakia in the indicators of individualism and avoidance of uncertainty. The most significant difference is between the power distance indicator of Hungary and Slovakia, as Slovakia here has a value of 104 and Hungary has 46. Power distances significantly affect business, including business ethics and business etiquette. In terms of individualism, Hungary scored 80 and Slovakia had 52. The location of culture on the individualist-collectivist axis also has a severe impact on business relations. In the indicator of masculinity related to competition and aggression, Hungary has an exceptionally high score of 88, but Slovakia has an outstanding value of 110. The competitive situation also affects the course of business relations. It is essential to take the right amount of risk in business and plan for the future correctly. In both cases, Slovakia excels with its lower uncertainty avoidance score and higher future orientation value. These are certainly reflected in business relationships. Unlike the other dimensions, leniency does not show a significant difference between the two countries.
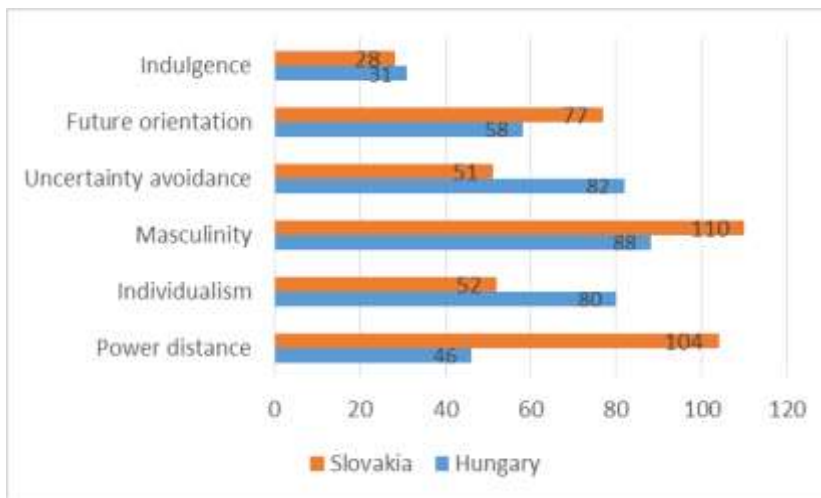
Figure 1

Values of Hungary and Slovakia in the cultural dimensions of Hofstede

Source: Values of Hungary and Slovakia in the cultural dimensions of Hofstede [30]

Respondents on a seven-point scale rated each element of business etiquette. It is possible to explore possible differences between the responses in Hungary and Slovakia by comparing the averages within the group. The relevant statistical test, the t-test, shows whether the two means are the same, i.e. whether we should reject the null hypothesis that their difference is not statistically different from zero. After performing the t-test, it can be stated that there is no statistically significant difference between Slovakia and Hungary in terms of personal appearance, professional behavior and social behavior. At the 10% significance level, it can be shown, that compared to the Slovak respondents, communication, cultural sensitivity, accuracy, respect, trust, and reciprocity are somewhat more important for the Hungarian respondents. Our respondents in Slovakia consider only gift-giving significantly more vital than those in Hungary.

Table 1

Differences between Slovakia and Hungary in some elements of business etiquette (N = 241)

	Slovakia	Hungary	Difference	p-value of t-statistic
Communication	5.38	6.07	-0.69	0.000
Cultural sensitivity	4.74	5.04	-0.30	0.066
Gift-giving	4.94	4.40	0.53	0.002
Personal appearance	5.92	5.77	0.15	0.302
Professional behavior	5.92	6.00	-0.08	0.580
Punctuality	5.84	6.11	-0.27	0.070
Respect	5.75	6.26	-0.50	0.000

Social behavior	5.66	5.83	-0.17	0.239
Trust	5.59	6.23	-0.64	0.000
Reciprocity	5.26	5.85	-0.59	0.001

Source: Author's editing

The obtained result somewhat contradicts the difference revealed in the comparison of cultural dimensions between the two countries. Respondents in Slovakia feel that gift-giving is significantly more important than respondents in Hungary do. Presumably, gift-giving is essential in Slovakia because it makes it possible to bridge significant distances of power, but it is also conceivable that the collectivist nature of Slovak society is causing this phenomenon. This element of business etiquette is, therefore, more present in the Slovak business culture.

Many business ethics issues can be related to a country's business culture, which can be classified using Hofstede's cultural dimensions. The business people participating in the questionnaire had to evaluate the conditions in Slovakia and Hungary on a seven-point scale according to the extent to which elements of business ethics prevailed in their most recent business transaction, which is in the early stages of the business relationship. The averages in Slovakia and Hungary moved roughly together in the sample. Determining whether there is a statistically significant difference between the two countries can be done with a t-test. The results of the t-test confirm the similarities predicted by the means: in most cases, there is no significant difference between Slovakia and Hungary; the results cannot be considered statistically different.

Table 2

Differences between Slovakia and Hungary in some elements of business ethics in the initial stage of business relations (N = 52)

	Slovakia	Hungary	Difference	p-value of t-statistic
Business transparency	5.24	5.56	-0.32	0.270
Commitment to the business relationship	4.88	5.67	-0.78	0.031
Credibility	5.09	5.89	-0.80	0.054
Equal opportunities	4.59	4.89	-0.30	0.413
Fair competition	4.76	5.17	-0.40	0.245
Justice (general)	4.91	5.22	-0.31	0.441
Management transparency	4.74	5.11	-0.38	0.337
Sincerity	5.09	5.39	-0.30	0.458
Integrity	5.18	6.00	-0.82	0.066
Keeping promises	5.29	5.50	-0.21	0.540
Loyalty to the relationship	4.97	5.89	-0.92	0.039
Reliability	4.76	5.56	-0.79	0.061

Respect	4.76	5.28	-0.51	0.236
Similar morals	4.91	5.28	-0.37	0.460
Social responsibility	4.68	5.00	-0.32	0.426

Source: Author's editing

At the same time, there was a significant difference in favour of Hungary regarding commitment and loyalty to the business relationship, reliability, integrity and credibility. The higher value of reliability and integrity can also be explained by the fact that Hungary is more avoidable of uncertainty than Slovakia.

Business etiquette consists of many elements. Assessing these, especially concerning the initial phase of the business relationship, was also the task of the survey participants from both countries. In the first group of relevant questions, the result was remarkable: all the listed characteristics (bilingualism, formal communication, direct speech, cultural tolerance, respect for hierarchy) were considered more important in Hungary than in Slovakia. The significance of the differences between one and one and a half units on the seven-point scale is also statistically supported by the t-test. The importance of respecting the hierarchy would have been more expected in Slovakia, a high power distance country, so this result is contrary to expectations. At the same time, compared to Slovakia, formal communication, cultural tolerance, and direct speech are more important, which may reflect the less masculine Hungarian society. The value of bilingualism can be outstanding because the average language skills in Hungary are poor, so multilingualism is rather prominent. There are far fewer differences for the next set of questions assessing business etiquette in the initial phase than the previous data.

Table 3

Differences between Slovakia and Hungary in some aspects of business etiquette in the initial stage of business relations (N = 52)

	Slovakia	Hungary	Difference	p-value of t-statistic
Recognition of hierarchy	5.00	5.33	-0.33	0.172
Assessing cultural differences	5.50	5.50	0.00	1.000
Cultural adaptability	5.26	5.83	-0.57	0.079
Preserving prestige, attending meetings. accepting invitations	5.35	5.44	-0.09	0.721
Gift-giving is required	4.74	4.61	0.12	0.758
Awareness of social status	4.65	4.61	0.04	0.933
Use of titles, qualifications	4.32	4.22	0.10	0.841
Providing appropriate expensive gifts	4.41	3.56	0.86	0.110
Appropriate dressing	5.24	5.00	0.24	0.492
Live-to-work attitude	4.91	4.78	0.13	0.739

Mutual trust is the key to success	5.53	5.72	-0.19	0.503
Commitment to the relationship	5.68	5.61	0.07	0.838
Mutual trust	5.85	6.06	-0.20	0.546
To be competent	4.47	5.50	-1.03	0.046
To show loyalty	4.53	5.56	-1.03	0.042

Source: Author's editing

After performing the t-test, the only statistically significant differences appear in loyalty, competence and cultural adaptability. These were considered more important by the Hungarian respondents. The difference in the perception of competence and loyalty cannot be explained clearly by the indicator of power distance. It is higher in Slovakia, but somewhat yes with the higher individualism in Hungary. Cultural adaptability is challenging to reconcile with the strength and competitive nature of higher masculinity in Slovakia, which may have contributed to the outcome.

The following relevant set of questions in the survey also reveals several similarities in the business etiquette of the two neighboring countries.

Table 4
Differences between Slovakia and Hungary in some aspects of business etiquette in the initial stage of business relations (N = 52)

	Slovakia	Hungary	Difference	p-value of t-statistic
Addressing people with their proper titles	5.35	5.44	-0.09	0.808
Exaggeration	4.74	3.61	1.12	0.021
Confidentiality	5.26	5.28	-0.01	0.976
Fulfilment of obligations	5.59	6.11	-0.52	0.157
Providing appropriate solutions	5.65	5.78	-0.13	0.729
Relationship and business transparency	4.94	5.33	-0.39	0.320
Punctuality	5.21	6.00	-0.79	0.097
Strong handshake	5.32	5.61	-0.29	0.508
Maintaining harmony	5.18	5.67	-0.49	0.203
Respect for all parties	5.18	6.00	-0.82	0.017
Assessing and preserving authority	5.29	5.61	-0.32	0.331
Different attitudes towards authorities	5.44	5.61	-0.17	0.605
Developing personal relationships	5.21	6.11	-0.91	0.027
Great host	5.82	5.89	-0.07	0.828
Preserving humor	6.06	5.78	0.28	0.344

Source: Author's editing

After completing the t-test, statistical analysis, exaggeration, accuracy, development of personal relationships, and respect for all parties are the elements in which Slovakia and Hungary differ. Based on the responses, respect for all parties and developing personal relationships in Hungary seem more critical. This result can be explained by the less masculine, less competitive cultural environment in Hungary. In Slovakia, on the other hand, the role of exaggeration is more significant. The reason is that society reflects the masculine features of power more in Slovakia than in Hungary.

Many dimensions of business etiquette also include how acceptable, inappropriate, or even appropriate certain behaviors are in a country's business. The respondents also had to answer relevant questions, keeping in mind the initial stage of the business relationship. Respondents rated on a seven-point scale how appropriate or even incorrect the six types of behavior listed were:

· Face-to-face encounters

· Direct speech

· Gossip about the customer

· Use of aggressive sales tactics

· Using only the first name in the introduction

· Direct communication

Interestingly, the respondents in Hungary and Slovakia took a similar position on specific issues, while there were even striking differences in other cases. Statistical, formal testing of any discrepancies between the two countries can be performed using a t-test.

Table 5

Differences between Slovakia and Hungary in the assessment of the appropriateness of certain types of behavior in the initial stage of business relations (N = 52)

	Slovakia	Hungary	Difference	p-value of t-statistic
Face-to-face encounters	4.71	5.89	-1.18	0.020
Direct speech	4.82	6.17	-1.34	0.013
Gossip about the customer	3.06	2.83	0.23	0.651
Use of aggressive sales tactics	4.00	2.89	1.11	0.055
Using only the first name in the introduction	3.50	3.33	0.17	0.733
Direct communication	5.41	5.89	-0.48	0.135

Source: Author's editing

The results proven by the t-test show that there is no statistically significant difference between the two countries in assessing the appropriateness of first-name introduction, direct communication, and gossiping. For business people in

Hungary, the form of behavior characterized by face-to-face encounters and direct speech seems to be significantly more appropriate than in the case of Slovak respondents. In contrast, aggressive sales tactics were statistically significantly more appropriate in Slovakia, than in Hungary. All this is in perfect agreement with the fact, established on the basis of Hofstede's cultural dimensions, that masculine traits such as force are more accepted in Slovak society. Consequently, its use in sales may not seem unacceptable either.

The questionnaire survey results among the Hungarian and Slovak respondents outlined above show that not in all respects, but in many cases, differences in business ethics and etiquette supported by statistical methods can be detected between Hungary and Slovakia. Some of the differences revealed seem to contradict some of the cultural differences based on the dimensions of the Hofstede model, but most of them reflect cultural dimension values. Thus, the differences demonstrated in the answers to the questionnaire can, in many cases, be explained, among other things, by uncertainty avoidance or the collectivist-individualist distinction. Among the explanatory cultural dimensions, masculinity stands out, in which, according to Hofstede's classification, Slovakia has a higher score than Hungary. Strength, the prevalence of competition and their social acceptance are thus more significant in Slovakia than in Hungary, which may be the reason for several identified differences. For example, aggressive sales techniques should be emphasized because, from a statistically significant point of view, the Slovak respondents consider it more acceptable than respondents in Hungary.

Based on the performed analysis, we can state that we can accept hypothesis H1 of our research, according to which cultural differences in the dimensions of the Hofstede model can in many cases reveal differences in business ethics and etiquette in the business life of Hungary and Slovakia.

Conclusion and Managerial Implications

Hofstede's cultural model has already drawn attention to the fact that, despite their geographical proximity, significant differences can be detected between the cultural dimensions of the two countries included in our study. Slovakia and Hungary differ primarily, in terms of power distance and uncertainty avoidance. While Slovakia is more characterized by significant power distance, Hungary has a higher value in avoiding uncertainty. While our respondents in Slovakia mostly use gift-giving to bridge the power distance, our Hungarian companies value their commitment and loyalty to business relationships more because of uncertainty avoidance. On the other hand, based on our research, someone in Hungary is more favorable if they are accurate, respects their partner, is committed, loyal and reliable. Based on the above, we can state that if a new economic player wants to enter the market of the two countries, it is worth preparing for the first meeting in Slovakia with a smart gift-giving business strategy and even using aggressive sales techniques.

Our research confirmed the Hofstede model and our initial expectations that there are significant differences in the business culture and etiquette of Slovakia and Hungary and that these differences can be unambiguously demonstrated by appropriate research methodology and statistical analyzes. Conversly, the differences can be explained by the era of socialism, where the role of the planned economy and corporate independence was different, and on the other hand by the different ways of regime change, according to which different managerial cultures gained ground in the two countries. Our results also showed that the near half-century since Hofstede's research has not passed unnoticed in Central Europe. The transition from socialism to a market economy brought with it the opening of borders. At the same time, it facilitated the convergence of the business culture of Slovakia and Hungary, changing the relative position of these two countries on the Hofstede scale. Although we cannot clearly state it due to the limitations of our research, we would like to draw attention to the fact that it would be worth repeating Hofstede's research, to record socio-economic changes in the case of dynamically changing societies and countries.

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