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Examining the economic and cultural impact of an Asian company's presence in Hungary

Szonja Jenei¹, Szilvia Módosné Szalai¹, Vasantha Lakshmi Patibandla², Elena Moreno-García³,
Endre Béla Huff^{4,*}

¹ Kautz Gyula Faculty of Business and Economics, Széchenyi István University, 9026 Győr, Hungary

² Department of International Business, ITM Skills University, 410210 Mumbai, India

³ Doctoral School in Education, Universidad Cristóbal Colón, 91930 Veracruz, Mexico

⁴ Department of International Economics, Faculty of Economics and Business, John von Neumann University, 6000 Kecskemét, Hungary

* **Corresponding author:** Endre Béla Huff, huff.endre@nje.hu

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Abstract: The study examines the economic and social impacts of a Southeast Asian multinational company operating in the northwestern region of Hungary, with a particular focus on the local labor market and community responses. The research aims to explore the company's location choice motivations, its integration process into the local economy, and its cooperation with the local government and communities. The research provides a comprehensive picture of the company's impacts by employing qualitative and quantitative methodologies—including management interviews and household surveys. The findings indicate that the company has significantly increased employment, enhanced infrastructure, and promoted cultural diversity. However, challenges related to cultural integration persist. The study offers valuable guidance for policymakers and businesses on leveraging the economic benefits of foreign investments and fostering cultural cooperation. Future research could delve deeper into the long-term socio-economic impacts.

Keywords: foreign investment; labor market; cultural integration; economic development; infrastructure development; multinational corporations

1. Introduction

Globalization and international capital inflows are key factors shaping current economic processes, significantly impacting corporate operations and the economic environment. Hungary has become an attractive destination for international investors, especially in the manufacturing and automotive sectors. In this context, the company we are studying plays a prominent role, having made a substantial investment in Hungary. This company exerts not only economic but also cultural and social influences on the host country. The research focuses on examining the company's presence and activities in Hungary, particularly the background of its location choice, its impact on the local economy and labor market, and the relationship between the local population and the company. The primary objective of the research is to explore how Asian companies have integrated into the Hungarian economy and how cooperation has developed with the local government and community. This process is analyzed through the following research questions:

- 1) What economic and social factors influenced the company's choice of location in Hungary?
- 2) How does the company's presence impact on the local economy, particularly in terms of employment and infrastructure?

- 3) What relationship and cooperation have developed between the company and the local community, and what role does managing cultural differences play in this process?

We have also formulated two hypotheses:

- 1) Younger generations show greater interest in the company's culture compared to older age groups.
- 2) Respondents' employment status influences their openness to work at the company.

These questions and hypotheses provide the foundation for the literature review, which explores the theoretical background of the integration processes of international companies and sheds light on the connections between location choice and economic impacts. The first part of the study presents the criteria for location selection, emphasized by both the company's management and local decision-makers. Following this, we discuss the economic and social impacts of the company in detail, including employment trends, infrastructure development within the city, and the increase in cultural diversity. The research uses qualitative and quantitative methods to offer a comprehensive view of the relationship between the company and the local community, as well as the long-term sustainability of economic processes. Particular attention is given to managing cultural differences and their role in the company's successful operation. This organization's example demonstrates that the long-term success of international companies requires considering not only economic but also social and cultural factors.

In light of the latest research, Foreign Direct Investment (FDI) possesses positive characteristics. FDI plays a central role in the process of economic globalization as it facilitates the flow of capital, technology, and knowledge between national economies. Recent studies indicate that the impacts of FDI are significant not only in economic dimensions but also on social and cultural levels, especially in developing and transitional economies. The fundamental economic benefits of FDI include increasing employment, developing infrastructure, and promoting economic diversification. Jovanović (2020) points out that FDI can contribute to the improvement of life quality through productivity growth and investments (Jovanović, 2020).

Technology and knowledge transfer are particularly important in the development of innovative sectors. For example, in the energy and electronics industries, FDI assists in the introduction of new technologies and enhances the competitiveness of local businesses (Frunza et al., 2021). In the social and cultural dimensions, FDI can increase cultural diversity while also posing challenges in managing cultural differences. Liangliang and Tungsawat (2022) emphasize that successful intercultural management is essential for the integration of FDI, including transparent communication and the management of cultural differences (Liangliang and Tungsawat, 2022).

The long-term sustainability of FDI poses challenges for host countries. Corporate Social Responsibility (CSR) programs can contribute to strengthening the relationship between companies and communities. According to a study by Bilyk et al. (2023), these programs can fundamentally improve the cooperation between local communities and the companies supported by FDI (Bilyk et al., 2023). In the post-

pandemic era, the role of FDI has increased, particularly in shaping economic globalization. Zou and Ye (2021) emphasize that geopolitical risks and regulatory changes necessitate the formulation of new strategies, both for investors and host countries (Zou and Ye, 2021).

Here are three examples of Asian foreign direct investments (FDI) in Hungary. Suzuki established a significant manufacturing presence in Hungary in 1991 with the Suzuki Magyar Zrt. factory in Esztergom. This facility has become one of Suzuki's key production hubs in Europe, producing models for both domestic and export markets (Retrieved from <https://www.suzuki.hu/>).

The Chinese chemical company Wanhua acquired BorsodChem, one of Hungary's largest chemical manufacturers, in 2011. This acquisition marked one of the largest Chinese investments in Central and Eastern Europe, focusing on polyurethane and isocyanates production (Retrieved from <https://www.borsodchem.hu/>).

Huawei established its presence in Hungary in 2005, including a European logistics and supply chain hub. The company has also invested in research and development, as well as telecommunications infrastructure in the region. These references provide examples of how Asian FDI has contributed to Hungary's economy in key sectors such as automotive, chemicals, telecommunications (Retrieved from <https://www.huawei.com/>).

Hungary and South Korea display notable differences in economic performance, which influence the dynamics of Foreign Direct Investment (FDI).

Gross Domestic Product (GDP): South Korea: In 2023, South Korea's GDP amounted to \$1712.79 billion, ranking it as the 13th largest global economy (Trading Economics, 2023). Hungary: During the same year, Hungary's GDP was \$203.829 billion, ranking it 57th worldwide (Központi Statisztikai Hivatal, 2023).

GDP Per Capita: South Korea: In 2023, GDP per capita reached \$34,121.02 (Trading Economics, 2023). Hungary: GDP per capita stood at approximately \$21,000 in 2023 (Hivatal, 2023).

Despite these disparities, South Korea has become a significant investor in Hungary. In 2022, South Korea was the largest foreign investor in Hungary, with €2.8 billion in investments, creating 3867 jobs (Oeconomus, 2022). In November 2024, CJ Foods, South Korea's largest food industry company, announced its first Central European factory in Dunavarsány, Hungary, with a 31 billion HUF (\$85 million) investment, generating 200 new jobs (24.hu, 2024). These investments support Hungary's economic growth and job creation while providing South Korea with enhanced access to European markets and strengthening its global presence.

2. Literature review

2.1. Internationalization

There are numerous definitions for the concept of internationalization. According to the Hungarian Explanatory Dictionary, internationalization refers to "the conduct of activities across the territories of multiple countries" (Pusztai, 2003). In international literature, internationalization encompasses multiple aspects, including companies entering markets in different countries, managing subsidiaries,

supporting expatriates, and overseeing cross-border business activities (Perlitz, 2004). Globalization refers to the increasing economic interactions between countries, intensifying the movement of goods, services, international capital flows, and technology dissemination. Key factors promoting globalization include the reduction of capital flow restrictions, the dismantling of domestic market protections, the development of global capital markets, the establishment of information and communication technology networks, and the increasing integration of international financial markets, alongside the spread of liberal economic policies globally (Blahó et al., 2015; Kőműves et al., 2024).

2.2. Management of international companies

The management of international companies requires consideration of a wide range of factors, especially when employees of multiple nationalities work together. The example of the company in Komárom demonstrates that cultural differences play a crucial role in effective collaboration between Korean and local employees at the management level. During internationalization, the composition of the top management team significantly influences the company's decisions regarding market entry (Tihanyi et al., 2000). Research has shown that companies with younger leaders are more inclined to engage in higher levels of international activity, as these leaders tend to make more risk-taking decisions (Hambrick et al., 1984). Furthermore, management teams working together for extended periods exhibit better communication skills and can accurately assess the company's capabilities for successful participation in international markets (Smith et al., 1994). Successful leadership in international companies requires high levels of general and emotional intelligence, advanced cultural intelligence, and foreign language proficiency (Blahó et al., 2015). Additionally, the responsibility of line managers is also increasing, as they oversee critical activities within their respective areas (Larsen, Brewster, 2003). International companies benefit from ownership advantages, comprising tangible and intangible assets, enabling them to offset foreign production costs (Erdey, 2004). When these ownership advantages are present, multinational companies may decide to establish a foreign subsidiary or enter into a contractual relationship with a local partner. In developing countries, foreign capital attraction stimulates technological advancement, which can result in higher returns for local capital owners (Andor, 2017). Location selection factors, such as the host country's geographic environment, infrastructure, tax regulations, labor availability and quality, are critical. However, capital owners who share modern technology may face disadvantages, as the host country's workforce does not contribute to their home country's GDP and must adapt to local regulations and cultural specifics (Csáki, 2020; Erdey, 2004). Host countries also face the risk of vulnerability, as owners might relocate their operations to countries with lower labor costs, potentially destabilizing the local economy.

2.3. Company overview

Over the past six decades, the company under study has grown to become one of Asia's largest energy and chemical corporations. Guided by a philosophy of

uncompromising innovation and technological advancement, these principles are central to its operations. The company's activities have focused on oil extraction and refining, as well as the production of lubricants and petrochemical products, which continue to play a significant role in its business operations today. Currently, the organization places a strong emphasis on battery production and development, especially in lithium-ion battery separator technology. This focus has given the company a competitive edge in the technology, electronics, and automotive sectors. One of its subsidiaries exports base oils to over fifty countries and sells finished lubricants in twenty-five countries. Thus, the company is active not only in traditional energy and chemical sectors but also in forward-looking technological industries. The company now operates manufacturing facilities in Southeast Asia, China, and Hungary. Hungary plays a particularly crucial role in the company's global expansion, as it hosts its first European production facility. This plant produces advanced technology products that are sold across various industries worldwide. The beginning of the company's European presence dates back to 2017, when it decided to start planning its first European facility. Construction commenced in February 2018, with the ceremonial groundbreaking held in March. The first significant milestone was reached in 2019 with the training of the engineering and supervisory teams, followed by group recruitment. The installation of production lines and the construction of the facility were completed in September 2019, and mass production began in October, with the first products shipped in December 2019. Events accelerated in 2020: In January, the company introduced continuous shifts to ensure maximum facility utilization. The third production line was installed by April, and production on the fourth and fifth lines started in July. In early 2021, another milestone was reached with the announcement of a new plant in Hungary, further expanding the company's presence and making substantial investments to increase production capacity.

The company has received numerous awards for its innovative technological investments. In 2018, it won the "Technology-Intensive Investment of the Year" award from the Hungarian Investment Promotion Agency, recognizing the company's technological innovations. A year later, in 2019, it received the title of "Company Creating the Most Jobs", further proving its significant impact on the local labor market and economy. The company is also actively engaged in corporate social responsibility. Between 2019 and 2020, it donated a total of 15 million HUF to various social, health, and fire protection foundations. In 2020, an additional 16 million HUF was contributed to support the city government's pandemic-related measures. These actions reflect the company's commitment to local communities. Ethical management plays a particularly important role in the company's operations. Management adheres to ethical standards when collaborating with stakeholders, encompassing employees, customers, shareholders, and business partners. This ethical approach contributes not only to the company's economic success but also to social development and the well-being of individuals. By autumn 2022, the company employed nearly 1,380 people. The company places strong emphasis on providing excellent working conditions, competitive salaries, and a variety of fringe benefits for its employees. These include the SZÉP card, meal allowances, career development opportunities, and corporate shuttle services to facilitate employees'

commuting. Given that many positions require continuous physical presence, maintaining shuttle services and improving working conditions are of high importance to the company. A portion of the company's employees consists of Korean technicians who fulfill specialized technical and managerial roles. This group usually consists of 50–100 individuals and plays a vital role in ensuring smooth production processes. At least one Asian technician is present in each shift, maintaining direct communication with management to ensure ongoing production efficiency and problem-solving. The plant's uniform colors indicate different roles and departments, enhancing transparency and organization in production processes. **Table 1** presents the various job roles within the company.

Table 1. Job roles within the company.

Role	Description
Operator	Operation of automated production machines; Modern, computer-controlled manufacturing technology
Technician	Maintenance of automated machines; Technical qualifications
Shift Leader	People management; Outstanding communication skills
Office Positions	Procurement, quality assurance, IT; Finance, logistics, HR
Engineer	New production technology; Engineering degree

Cultural diversity plays a defining role within the company, as the workforce comprises multiple nationalities, including Korean, Slovak, Serbian, Ukrainian, and Hungarian employees. Managing different cultural backgrounds is a significant challenge for company leadership, as overseeing multicultural teams requires attention to and effectively handling cultural differences. Cultural differences, when properly addressed, can contribute to better decision-making and innovation, as shown in recent studies on inclusive practices in organizational contexts (Kálmán et al., 2024a). Unfortunately, many company leaders do not pay adequate attention to managing cultural differences or view them more as obstacles than opportunities. Ignoring cultural differences can lead to failure, while effectively leveraging them can yield considerable benefits.

Cultural diversity offers advantages to companies, especially in navigating global markets and providing culturally sensitive customer service. However, cultural differences can potentially hinder effective teamwork if not properly addressed. Therefore, companies should strive to enhance team efficiency and overall performance by effectively uniting diverse work cultures and managing cultural differences. Moreover, environmental factors, such as geopolitical challenges, may also influence how organizations approach cultural and social diversity within multinational teams (Kálmán et al., 2024b).

Strategies for managing multicultural teams—such as setting clear goals, establishing transparent structures, ensuring effective communication, building team cohesion, and defining roles precisely—contribute to maximizing the benefits of cultural diversity. These approaches align with findings that emphasize organizational adaptability and resilience in culturally diverse environments (Németh et al., 2024). These approaches ensure that the company can not only manage cultural differences but also capitalize on their strategic advantages, thereby

promoting increased organizational efficiency. Considering cultural synergy, strategic issues relevant to organizational operations are presented in **Table 2** (Larsson, 1995).

Table 2. Strategic issues of cultural synergy.

Concept	Description
Homogeneity/Heterogeneity	Individuals should not be treated uniformly.
Uniformity/Diversity	They should be considered equally.
Parochialism/Equivalence	Parochialism is the opposite of diversity. The latter does not consider any method superior.
Ethnocentrism/Cultural Contingency	Solution based on own culture as the best, or problem-solving independent of culture.

2.4. Far eastern culture and attitude towards work

The Korean workplace culture includes several distinct factors that significantly impact the workplace atmosphere and employees' mental health. Employees in small and medium-sized enterprises, in particular, are exposed to the negative effects of stress and job insecurity, which increase the risk of depression. The relationship between workplace stress and depressive symptoms affects men and women differently. For men, mental health issues tend to arise due to job demands, inadequate social support, and lack of rewards, while for women, the perception of unfairness increases the risk of mental health problems (Park, et al., 2009). According to recent research, burnout and emotional exhaustion are prevalent in such settings, often linked to organizational culture and limited access to mental health resources (Miah et al. 2024a; Miah et al., 2024b). This negatively affects the retention capacity of organisations, reducing employee engagement (Kálmán et al., 2024c). Korean companies have shown impressive growth over the past decades, playing an increasingly prominent role in global markets. As foreign companies collaborate more frequently with Korean firms, they often encounter challenges in business activities, especially due to cultural differences. For foreign companies, a thorough understanding of Asian culture and traditions is essential to collaborate successfully and effectively with their partners (Lee, 2012).

Previous studies have highlighted the necessity of understanding diversity across different countries, particularly when a company employs a multinational workforce. Managers must be aware of how individual differences rooted in local cultures influence employees' behavior and performance. To manage diversity effectively, human resource practices must be designed to reflect and support various cultures' needs, enabling employees to contribute optimally to organizational performance (Cho and Mor Barak, 2008). Based on Hofstede's cultural dimensions, significant differences can be observed between the cultures of South Korea and Hungary (**Figure 1**). The analyzed country scored 60 in the power distance dimension, indicating a moderately hierarchical society where people accept social hierarchy and everyone has a designated place. The country is collectivist and, with a masculinity score of 39, is considered relatively feminine. It has a strong uncertainty avoidance score of 85, making it one of the most uncertainty-averse societies in the world, where people avoid unfamiliar situations. It is highly pragmatic with a long-

term orientation score of 100, meaning people shape their lives and work based on long-term goals. A low score of 29 in indulgence reflects restraint, where people are moderate and less inclined to seek immediate rewards (Hofstede Insight, 2022).

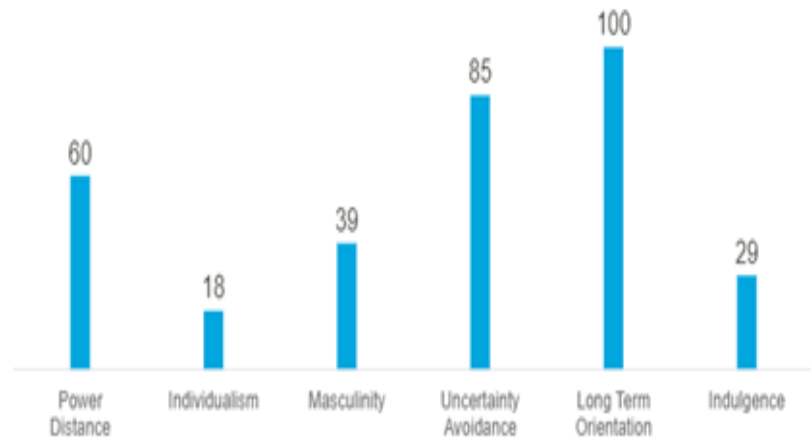


Figure 1. Hofstede's dimensions for South Korea.

Source: Hofstede Insight website, 2022.

2.5. Central and Eastern European culture and attitude towards work

In recent decades, significant changes have occurred in the world of work in Central and Eastern Europe, affecting how organizations interact with their environments. In the case of Hungary, Hofstede's cultural dimensions distinguish six main factors: Power distance, individualism-collectivism, masculinity-femininity, uncertainty avoidance, long-term orientation, and indulgence (Hofstede, 2011). Hungary scored low in the power distance dimension, indicating that independence and the assurance of equal rights are highly valued in Hungarian society. Alongside a preference for decentralized power, managers rely on the professional expertise of subordinates and adopt a democratic leadership style. Hungarian society engages in direct and participatory communication, promoting cooperation and information flow (Hofstede Insight, 2022). With a score of 80, Hungary is an individualistic society where the individual's and immediate family's well-being is a priority. In individualistic societies, the relationship between employer and employee is based on mutual benefits, while selection and promotion are primarily based on performance. This type of society encourages individual responsibility and achievement (Hofstede Insight, 2022). In the masculinity dimension, Hungary scored a high 88, indicating that Hungarian society is driven by competition, achievement, and a desire for success. Leaders expect assertiveness, and organizations uphold fairness and competitiveness as core values. Work is a fundamental necessity, and workplace performance is measured by success (Hofstede Insight, 2022).

Hungary's high score of 82 in uncertainty avoidance suggests that Hungarian society strongly adheres to rules and structures to avoid unfamiliar situations. This need for uncertainty avoidance requires strict regulatory systems and precision in the workplace. Stability and reliability are important to employees. Hungary's moderate score of 58 indicates a pragmatic approach in the long-term orientation dimension. People are adaptable to changing circumstances and show a strong inclination to save and invest to achieve long-term goals. Citizens understand that truth and

solutions often depend on context and time, thus demonstrating flexible thinking (Hofstede Insight, 2022). In the indulgence dimension, Hungary scored 31, indicating a more restrained society that tends toward pessimism and cynicism. In such societies, people control the fulfillment of their desires and pay less attention to leisure activities, often feeling that their actions are restricted by social norms (Hofstede Insight, 2022).

3. Methodology

The primary aim of the research is to provide a detailed analysis of the internationalization process, with a particular focus on issues and challenges related to Foreign Direct Investment (FDI). The study explores the benefits FDI offers to both investing companies and host countries and the challenges both parties may face during international capital placement. It can be concluded that FDI transactions are generally favorable for both parties, though they present numerous challenges that require appropriate solutions. When a company plans to establish a foreign subsidiary, selecting the appropriate location is crucial. Objective criteria and indicators play a role in the selection, but the experiences of companies already present in the location are also considered. Following the location selection, a specific decision is made regarding which city or region will host the site. Thus, analyzing location selection is a key part of the theoretical framework of this study. Bridging cultural differences is also essential for the successful operation of a multinational company, especially when entering a new market. Understanding the local culture and customs is indispensable. Our research examines the integration of an Asian company in Hungary. Therefore, we conducted a detailed comparison of the cultural characteristics of the two countries as well as those of the Far East and Central Eastern Europe.

In addition to the general questions of internationalization, we conducted a specific analysis of the company's location integration processes and challenges. We investigated why the company chose this city and explored the nature of its relationship with the local government. Additionally, our research aimed to map the level of acceptance of the company's presence by local residents and surrounding communities. It was crucial to analyze how residents perceive the company's economic impacts, such as its influence on reducing unemployment, supporting the growth of local businesses, and improving public services. We also sought to answer the question of how open local residents are to the culture of the studied country and the presence of multinational companies. We examined whether demographic factors such as age, gender, education, and income influence the degree of cultural openness. Furthermore, we aimed to determine whether local communities primarily value the economic benefits of international company presence or have reservations about cultural differences. The research employed two methodological approaches: Qualitative and quantitative data collection. The qualitative method involved semi-structured, in-depth interviews with company and local government leaders. These interviews allowed respondents to express their opinions freely, providing deeper insights into the company's settlement and integration processes. In the quantitative research, we conducted a survey among local residents, focusing primarily on

economic and social impacts as well as cultural openness. The research plan was developed based on the study's objectives. Data collection took place from October 15 to November 30, 2023, followed by data processing and results analysis. The research was divided into two main phases. In the first phase, semi-structured in-depth interviews were conducted with company and local government leaders to gather detailed information on the conditions of the company's settlement, its relationship with the local government, and its impact on the local economy. The interviews provided an opportunity to uncover topics deemed important by the leaders that were not covered by the questionnaires.

In the second phase, we conducted a quantitative survey among local residents, focusing on three main research questions:

- 1) What benefits has the company's establishment brought to the city in terms of reducing unemployment, increasing tax revenue, enhancing cultural diversity, and improving urban public services and infrastructure?
- 2) To what extent are local residents open to the culture of the studied country, and how do they view the presence of international companies? Do they consider learning foreign languages, attracting additional companies, and deepening cultural relations important?
- 3) To what extent is cultural openness influenced by demographic factors such as age, gender, education, and income?

Additionally, we formulated two hypotheses:

- 1) Younger generations show a greater interest in the Korean language than older individuals.
- 2) People's employment status affects whether they are interested in working at the Korean company under study.

Although the research is not representative, the results provide direction regarding local residents' cultural attitudes. The in-depth interviews were conducted in person, while the survey was distributed through online platforms, primarily via social media. A total of 127 responses were received for the survey, which was analyzed using Excel to gain deeper insights into the relationships and trends within the responses. Statistical analyses were conducted to support the hypotheses. The first hypothesis was tested using Pearson's correlation analysis, suggesting that younger generations show a greater interest in the Korean language. This analysis allowed us to determine the strength of the relationship between age and the intention to learn the language, confirming the increased interest among younger generations. We applied a chi-square test to examine the second hypothesis, which concerns the relationship between employment status and willingness to work at the Korean company. This analysis determined whether there was a statistically significant relationship between employment status and willingness to work, supporting the assumption that employment status influences interest in the Korean company. These statistical methods played a key role in confirming the hypotheses and provided more profound insights into the relationship between demographic factors and interest in the company.

4. Results and discussion

The study was conducted in two phases, employing both qualitative and quantitative data collection methods to gain a comprehensive understanding of the integration processes of the Southeast Asian company's manufacturing site in Hungary and its relationship with the local community. In the qualitative phase, we conducted in-depth interviews with a leading city representative and a company executive to explore the collaboration between the local government and the company in detail. This was followed by a quantitative survey to assess public opinion, with particular focus on economic and cultural impacts.

4.1. In-depth interviews

The interviews were a key component of the research, during which we spoke with an expert responsible for the city's industrial park and a specialist overseeing human resource development at the company. These interviews allowed us to illuminate the company's activities from both perspectives. Our city expert provided detailed insight into how foreign investments are attracted and managed in the city. According to him, most investments arrive via the Hungarian Investment Promotion Agency (HIPA), which offers suitable state support and opportunities for foreign investors. The city maintains a close relationship with HIPA, so all potential investors are initially directed to them. Our interviewee emphasized the city's excellent geographic advantages, which are especially attractive to logistics and automotive companies. He specifically noted that the automotive industry is a key economic sector, showing continuous growth despite European economic challenges. In recent years, major car manufacturers have created over 2,600 new jobs, significantly impacting employment in the region. Regarding the labor market, our expert stated that the region has a traditionally strong labor base, especially due to Nokia's previous presence. Companies highly value the local workforce's skills and diligence, which contributes to the city's economic development. He also mentioned that the city's infrastructural developments are ongoing, with a particular focus on expanding the industrial park and establishing new transportation routes. Projects such as the improvement of rail and road connections and the construction of bypass roads leading to the industrial park aim to keep the city attractive to investors. The relationship between the company and the local government is considered exceptionally good. The company regularly supports local foundations and actively participates in the city's social life. During the interview, we learned that the company places particular emphasis on corporate social responsibility and values maintaining a good relationship with the local community. At the end of the interview, our expert highlighted that the cultures under study and Hungarian culture are compatible. Although there are differences in work culture, both parties are open to collaboration and adaptation. Asian companies have proven their ability to adapt to Western cultures, and our case also demonstrates that cooperation between the two cultures can be successful.

4.2. Survey research

In the second, quantitative phase of the research, we examined the demographic data of respondents. Based on educational attainment, most respondents held a secondary school diploma (28.3%) or a higher-level vocational qualification (30.7%), while 24.4% had a BSc/BA degree. The proportion of those with an MSc/MA degree was relatively low (3.1%). In terms of income status, the majority of respondents (62.2%) considered their income to be average, while 28.3% reported above-average income. Only 9.5% felt their earnings were below average. The demographic distribution of the sample is shown in **Table 3**.

Table 3. Demographic characteristics of the sample.

Category	Distribution (%)
Employment status	
Employed	13%
Former Employee	3%
Never Worked	67%
Prefer not to answer	9%
Gender	
Male	51%
Female	45%
Prefer not to specify	4%
Age	
18–29 years	21%
30–39 years	48%
40–59 years	28%
Over 60	3%
Residence	
Living in Komárom	60%
Surrounding area	24%
Distant	7%
Education Level	
Primary	0%
Vocational	13%
High School	28%
Professional Training	31%
Bachelor's	25%
Master's	3%
Income Level	
Well below average	0%
Below average	9%
Average	62%
Above average	28%
Well above average	0%

The central goal of our research was to explore how local residents evaluate the impact of the studied company on the city.

In terms of economic effects, most respondents expressed a positive view: Both the increase in tax revenues and the decrease in unemployment were rated favorably. The turnover of city businesses also rose, though this was perceived as a more moderate positive impact. Regarding cultural diversity and urban resources, the majority of respondents (90 individuals) felt that city resources had improved, while 83 respondents also viewed the increase in cultural diversity positively. A few negative opinions emerged, primarily stemming from individual negative experiences. Respondents also noted improvements in transportation, education, and healthcare. The company's infrastructure developments have significantly contributed to the city's progress.

One of the key questions of the research was to assess respondents' cultural openness. Based on the responses, many would be open to working at the company and willing to embrace the distinct work culture. There was also interest in the language, though this reflected more curiosity than a strong intent to engage in in-depth language learning. However, there was notable interest in the cuisine. On the topic of internationalization and globalization, respondents viewed the presence of foreign companies positively, and many would welcome further expansion of the company. Due to the company's economic impact and social contributions, many respondents already consider the organization an important part of the city. **Table 4** provides a detailed analysis of respondents' preferences regarding Korean companies and Korean culture and how these preferences correlate with age, education, and income. This analysis enables us to understand which factors influence respondents' interest in a Korean company and their support for expanding the Korean cultural and economic presence.

Table 4. Demographic correlations with preferences for Korean companies and culture.

To what extent would you like the following?	Correlation with Age	Correlation with Education Level	Correlation with Income
To work at the company.	0.001	0.061	-0.072
To have a family member employed by the company.	-0.053	0.104	-0.108
To learn the Korean language.	-0.118	0.191	0.258
To visit a Korean restaurant.	-0.133	0.175	0.192
To have more Korean companies in the city.	-0.035	0.145	0.159
To have more international companies in the city.	-0.038	0.043	0.062
The expansion of the company in Komárom.	0.046	0.039	0.042

The correlation with age (0.001) is essentially neutral, indicating that age does not significantly influence respondents' preference for working at the company. A weak positive correlation with educational attainment (0.061) suggests that respondents with higher education levels show a slightly greater interest in working at the company. In contrast, the negative correlation with income (-0.072) suggests that lower-income respondents are more likely to want to work at the company, while those with higher incomes may prefer other opportunities. The correlation with age here is -0.053, which also shows a weak but negative relationship, indicating

that younger respondents are somewhat more likely to support a family member working at the company. The positive correlation with education (0.104) suggests that respondents with higher education are more inclined to see a family member employed by the company, possibly reflecting recognition of the company's reliability. The -0.108 correlation with income implies that lower-income respondents are more likely to support this option.

Interest in learning the Korean language shows a strong connection with demographic characteristics. The negative correlation with age (-0.118) indicates that younger respondents are much more open to language learning, while older respondents show less interest. The correlation with educational attainment (0.191) suggests that respondents with higher education levels show more interest in language learning. This is further reinforced by the positive correlation with income (0.258), indicating that higher-income individuals are more likely to be interested in learning Korean, possibly viewing language learning as a valuable career investment. Interest in Korean restaurants is also closely linked to age (-0.133), educational attainment (0.175), and income (0.192). Younger respondents are more likely to show interest in Korean culinary experiences, reflecting their openness to different cultures. The positive correlation between higher education and income suggests that visiting Korean restaurants is more likely among respondents with higher social status, who are more willing to try new experiences. Interest in the presence of more Korean companies shows weak yet consistent correlations with age (-0.035), educational attainment (0.145), and income (0.159). Younger and higher-educated respondents are slightly more open to new Korean companies moving into the city, suggesting that these groups may better recognize the benefits of new economic opportunities and cultural diversity. Support for the presence of international companies in the city follows similar trends. Correlations with age (-0.038), education (0.043), and income (0.062) suggest that younger, higher-educated, and higher-income respondents are somewhat more supportive in this regard. This demographic group likely places greater value on the benefits of economic growth and the presence of multinational companies. Overall, the findings indicate that younger, higher-educated, and higher-income respondents are generally more open to the growing presence of Korean culture and companies in the city. These groups tend to show greater interest in learning Korean, visiting Korean restaurants, and welcoming new Korean businesses to the city. Their positive attitude toward Korean cultural and economic connections likely reflects an appreciation for economic potential and cultural diversity. The statistical analyses summarized in **Table 5** aimed to uncover the relationships between respondents' demographic characteristics and interest in Korean culture and companies.

Table 5. Results of Chi-Square and correlation analyses.

Analysis	Variables	Correlation	<i>p</i> -value	Result
Chi-Square Test	Employment Status vs. Interest in Korean Company Employment	2.236	0.524871	No significant association
Correlation (Pearson)	Age vs. Interest in Korean Language	-0.666446	0.102094	Not significant (moderate negative correlation)

First, we applied Pearson's correlation to examine the relationship between age and interest in the Korean language. The resulting correlation value was -0.666 , indicating a moderate negative relationship: Younger age groups show greater interest in the Korean language, while this enthusiasm decreases among older respondents. However, the p -value was 0.102 , higher than the 0.05 significance level, making the relationship statistically non-significant. Nonetheless, the correlation value suggests a tendency where interest in the language decreases with age. In this light, the H1 hypothesis, stating that "younger people show more interest in the Korean language than older people," can be considered supported, as the negative correlation aligns with the original assumption.

In the following analysis, we used a chi-square test to examine whether a relationship exists between employment status and the intention to work at a Korean company. The analysis yielded a chi-square value of 2.236 , with an associated p -value of 0.524 . Since this value is higher than the standard 0.05 significance level, the results indicate no significant relationship between employment status and the intention to work at Korean companies. This suggests that respondents' employment status alone does not significantly influence whether they view working at Korean companies as an attractive option. Thus, the H2 hypothesis, stating that "people's employment status affects their interest in working at Korean companies", can be rejected based on the data, as the statistical test did not confirm that employment status significantly influences this intention. In summary, no statistically significant relationship exists between employment status and the intention to work at Korean companies, leading us to reject H2. In contrast, a moderate negative correlation was observed between age and interest in the Korean language, although this relationship is not statistically confirmed. Accordingly, we consider H1 to be supported, while H2 is rejected in light of the obtained results.

5. Conclusion

This section presents the responses to the research questions as well as additional conclusions. The first part is based on quantitative research results, while the second part highlights key findings derived from the theoretical review and in-depth interviews. The first research question concerned the impact of the studied company on the city. Respondents rated the impacts on a five-point scale: Not useful at all, not useful, neutral, useful, extremely useful. The results indicated responses more positive than neutral in all areas. Respondents attributed positive impacts to the company's presence, especially in economic terms, where increases in tax revenues, reductions in unemployment, and improvements in local business activity stood out. Additionally, there were observable improvements in public services (education, healthcare, transportation), though the impact in these areas was somewhat more moderate. The second research question examined the openness and receptiveness of the local population. Here, we also used a five-point scale, and the majority of responses were positive, though the level of openness was slightly lower than for economic impacts. Interest in learning the language was the lowest, while there was greater interest in gastronomy. Additionally, respondents expressed a willingness to welcome more international companies in the city. We examined the relationship

between demographic data and openness using a correlation matrix. The results indicated that older respondents showed less openness toward the culture, while those with higher education levels and incomes showed greater interest in language, gastronomy, and corporate presence. Based on the theoretical review, in-depth interviews, and survey results, the following conclusions can be drawn:

- The city's geographical location and developed infrastructure make it attractive to foreign investors.
- State tax incentives play a significant role in the choice of location.
- Close relationships between the city and incoming companies are essential, with regular consultations needed.
- City leadership must be open to capital investors from diverse cultural backgrounds.
- The company under study has a positive impact on nearly every aspect of the city's economic and social life.
- Individuals' openness is related to their demographic characteristics.
- Respondents prefer companies that come from similar cultural backgrounds.

Overall, the local population recognizes that incoming companies can have a positive impact on the city's economic and social life. Through effective collaboration with city leadership, individual openness toward companies and their activities may continue to grow. Alongside the conclusions of this research, it is worth examining the study's limitations and the future opportunities that arise from them. First, it is important to note that this research was conducted with a limited sample size, covering only the population and local economic actors of one Hungarian city. This limited geographical focus does not allow for full generalization of the results to other cities or regions where the local economic and cultural environment may differ. Additionally, the demographic composition of the sample—such as age, education, and income level—may partially skew the responses, particularly for questions assessing interest in employment opportunities or cultural openness.

Future research opportunities include sampling from a larger number of cities and regions, which would provide a more comprehensive picture of the social and economic impacts of international companies in Hungary. Additionally, it would be valuable to involve the local population and company employees in data collection to gain a deeper understanding of the internal processes of cultural integration and the challenges of adapting to the organizational culture. Furthermore, it would be beneficial to study the impact of the company's Corporate Social Responsibility (CSR) initiatives, particularly regarding how these programs influence the relationship between the local community and the company, as well as residents' and employees' cultural openness.

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