

**Business and Management Research on Central and Eastern Europe:**  
**Key Research Areas and Trends during the 1990-2005 Period**

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## **Abstract**

This literature review based on a content analysis identifies major areas and trends of business and management research on Central and Eastern Europe. In total 617 articles published in 25 journals in the 1990-2005 period were analyzed. The majority of articles addresses the impact of the business environment on the firm as well as corporate/business strategies for the countries in the region. Nevertheless, articles dealing with managerial and organizational issues have been on the rise in the last years. Our findings underline the central role of the transition process as an explanatory concept for CEE management research. However, the advancements in the economic transition in Central Europe put its paradigmatic role into question. For the future, the authors suggest a stronger theoretical grounding of CEE business research.

**Key words:** Business research; Literature review; Central and Eastern Europe

## **1. Introduction**

The political and economic change in Central and Eastern Europe (CEE) in 1989 provided a great opportunity not only for firms to expand their business to the region of Central and Eastern Europe (CEE) but also for business researchers. The chance to follow the largest field experiment in the history of market economy has aroused interest among local and foreign researchers. Given the scarcity of reliable economic and business research it was clear that descriptive studies will be needed at the beginning in order to document the situation and developments in the reforming countries of CEE. It is therefore not surprising that the center of research interest lies in the transition process from a centrally planned economy to a market economy so far (Peng, 2000). The analysis of the specific business conditions in these economies and of the ongoing transformations of the business

environment, their impact on investment and business decisions as well as the search for adequate corporate responses form the core of this body of knowledge. The management of MNCs as the primary addressees of business and management research and their current issues determined the focus of CEE-related research: finding the adequate mode of market entry, the right marketing strategy for local markets and the best way how to manage CEE operations.

This orientation is reflected in the major research areas in the 1990s: studies covering the interrelation between business environment and management, strategy and marketing issues were most popular in the 1990s (Schuh & Pacolt, 2000). On the other hand, other functional areas such as accounting, R&D and controlling did not receive much attention by researchers. The question arises if these formerly underrepresented research areas have caught up in the last years indicating that business research on CEE has lost its kind of “exotic appeal” and has become more integrated into main stream research where interest is spread over all research areas and each specialization can find a substantive following. In addition, economists in Central Europe claim today that the transformation into a market economy is already accomplished. From their perspective, Central European economies have not only become part of the EU but have also left behind their emerging economies status. What is then left as a paradigm for CEE research when the macro-economic transition process is not applicable – at least in some of the countries – anymore. Is there a different perspective available that ignites enough interest for CEE in the IB research community? If no strong programmatic alternative is available, interest in CEE business research in general is jeopardized.

In order to lay the foundation for discussion on the status and possible directions of development of a field of research a literature review can be helpful as a means to appraise the status quo of research in a discipline. This extensive literature review aims at identifying the

major areas and trends in business and management research on CEE. The findings of the analysis shall serve as a basis for defining attractive opportunities for future research and for a more fundamental discussion of the contribution of CEE-related research to international business theory in general. Our objective is not to evaluate the product of research but to categorize topics, to identify main areas of research and to distinguish trends. The review is conducted in form of a content analysis. The research design employed in this study follows the format of previous literature reviews in international business. The purpose of this paper is threefold: first, to identify key areas of business and management research on CEE, second, to search for patterns in the evolution of the research interest over the 1990 – 2005 period, and third, to discuss the value and positioning of a CEE-perspective in international business research. The first part of the paper explains the purpose and method of the literature review. Then the findings of the content analysis are presented. The paper concludes with a discussion of the future direction of CEE business research.

## **2. Literature reviews in international business research**

Science is driven by building the existing body of knowledge in a discipline. References to extant literature are therefore a standard feature of good scientific work. Literature reviews play an important role in this process as they take inventory of what has been already done in a specific field. A literature review is a systematic, explicit, and reproducible method for identifying, evaluating, and interpreting the existing body of recorded work produced by researchers, scholars, and practitioners (Fink, 1998). The definition illustrates that the aim of a literature review is to understand what is currently known on a topic without actually engaging in primary research.

The review of the contributions in a defined set of publications can be conducted either in a more interpretative form or by using a formal content coding methodology. The

interpretative form of literature review is a typical element of scientific work and it relates the ideas and considerations of the authors to the extant body of knowledge. It allows for a lot of subjectiveness as the authors use this review of extant literature to position their new contributions in the field and to tell their “research story”. However, when using formal content analysis, categories are created a priori, publications are classified by multiple criteria, and frequencies are counted allowing further quantitative analysis. The purpose of content analyses may range from a pure descriptive appraisal of the research status quo in a discipline to the testing of hypotheses related to the importance of individual categories and distribution of frequencies.

Table 1 gives an overview of recent literature reviews in the field of international business and in business research on CEE. The reviews are classified by number of journals included in the review, time period covered, sample size, method, and research objectives. The main reasons for literature reviews are the identification and analysis of trends in international management and business or in defined sub-areas (e.g., international marketing). Some reviews have a narrower perspective and focus on the application of specific methods or common practices in international research methodology. In nearly all cases, highly rated scientific journals or conference proceedings were chosen as basic population. This could be either one journal, such as the *Journal of International Business Studies*, the leading journal in the field of international business, or 26 marketing journals when Li and Cavusgil (1995) were trying to identify research streams in international marketing. Only articles published in English were included in the analysis. The time periods covered ranged from 4 to 25 years and the sample sizes from 68 to 1296 articles. The reviews reflect the typical purposes and research questions associated with literature reviews: classification of research streams, identification of key research areas and developments in a field of study and search for leading perspectives and methods.

Thus far, a total of 3 extensive literature reviews were conducted on management research in CEE, two of which used content analysis. Among them are the publications of Schuh and Springer (1997), Schuh and Pacolt (2000), and Meyer and Peng (2005). In 1997, Schuh and Springer conducted a literature review on marketing research in CEE, using content and cross-tabulation analysis. The underlying idea was that marketing in the West and the East took place in entirely different environments that required the development of different marketing approaches. To this end, they prepared an overview of marketing research for this region for the 1993-1996 period. The proceedings of four annual conferences on Marketing Strategies for Central and Eastern Europe organized by Petr Chadraba and Reiner Springer in Vienna served as the source of papers. A total number of 82 papers were identified and used for the following content analysis and cross-tabulation. Schuh and Springer (1997) found a strong interest of marketing researchers in the transition process, joint ventures and marketing strategy. Schuh and Springer assumed then that the transition process from a command to a market economy will last for decades and therefore provide the central framework for marketing research in CEE.

Schuh and Pacolt completed a literature review, using content analysis that focused on business issues in CEE in 2000. The review aimed at identifying the major research areas of the region in the period 1989 to 1999. Schuh and Pacolt were able to amass a number of 256 articles that were published in 24 selected scholarly journals. The results indicate a strong interrelation between the business environment and management issues. Again strategy related issues, environmental aspects and the transformation process came up as central research topics. Furthermore, the frequency distribution by year of publication showed a sharp fall to just 4 articles in 1999, the lowest value in the whole period of analysis. Did this fall in publications indicate a lack of interest in the subject? Did business research on CEE behave like a fashion phenomenon – was the interest among researchers fading 10 years after the

opening of the region? The authors speculated whether the rapid progress in the economic transformation in Central Europe, the increasing integration into the world economy as well as the prospect of a forthcoming integration into the European Union could eliminate the justification for a region-specific research focus.

Meyer and Peng followed with an extensive literature review with the aim of classifying articles according to their theory affiliation in 2005. They distinguished three streams of theory: organizational economics, resource-based, and institutional theories. Articles dealing with foreign entrants, local incumbents, and local start-ups were then classified according to the theories above. Their database included 13 international business and management journals, covering the 1986-2004 period and finally resulting in 218 entries. They are convinced that research on CEE will advance institutional theory and the institution-based view of business strategy.

Authors	Journals	Period	Sample	Research Question	Method	Perspective, Topic
<b>International Business and Management</b>						
Hurmerinta-Peltomäki/Numella 2006	4 international business journals	2000-2003	68	Analysis of mixed (conceptual and empirical) research methods in international business	Literature review	Mixed methods in different stages of research process
Yang/Wang/Su 2006	6 international business journals	1992-2003	1296	Common practices in international research methodology	Content analysis	Data collection, sample sources (country), sampling method, sample size, and response rate
Nakata/Huang 2005	11 marketing and IB journals	1990-2000	587	Identify recent patterns and developments in international marketing	Content analysis	Research streams, author patterns, theoretical developments, methodological developments
Lu 2003	9 management journals	1991-2000	393	Analysis of international strategic management literature	Literature review	Topics, theoretical perspectives, outlets of publication, breadth of contributions
Werner 2002	20 top management journals	1996-2000	271	Trends in pure international management	Literature review	12 topics: entry mode decisions, multinational enterprises, expatriate management, transfer of knowledge, etc.
Scandura/Williams 2000	3 management journals	1995-1997; 1985-1987	385; 347	Trends in management research methodologies	Content analysis	A comparison of the 80's and 90's period
Li/Cavusgil 1995	26 marketing journals	1982-1990	757	Classification of research streams in international marketing, evaluation of progress and methods	Content analysis	Research streams: environmental studies, internationalization process, market globalization perspectives, etc.
Inkpen/Beamish 1994	Journal of International Business Studies	1970-1994	531	Identification of authors and content of articles	Journal review	Classification of content according to the system of the Academy of International Business
<b>Central and Eastern Europe</b>						
Meyer/Peng 2005	13 IB and management journals	1986-2004	218	Leading perspectives in CEE research and CEE contribution to general theory development	Literature review	Perspectives: transaction cost theory, agency theory, resource-based theory, institutional theory
Schuh/Pacolt 2000	24 IB and management journals	1989-1999	256	Identification of key research areas in management research	Content analysis	Interrelation between business environment and management
Schuh/Springer 1997	Conference proceedings	1993-1996	82	Past research on marketing in CEE and identification of research topics of conference	Content analysis, cross tabulation analysis	Relationship marketing and environment

Table 1: Overview of selected literature reviews in international business and CEE research



### **3. Methodology**

An extensive literature review identifies major areas and trends in business and management research on CEE as a core of this study. The review is conducted in form of a content analysis. Subject of this literature review are articles on management in CEE published in leading scholarly management journals. The articles were drawn from the DMCEE, the database of management in CEE at the Institute of Slavic Languages at the Vienna University of Economics and Business Administration. For details please go to [http://www.wu-wien.ac.at/slawisch/service/database\\_cee](http://www.wu-wien.ac.at/slawisch/service/database_cee). So far, this database covers the 1989-2005 period in 4 selected areas: literature on management in CEE, intercultural communications and on sociological and legal aspects of doing business in CEE. This review refers to the management section of the database only. The content analysis was conducted in three steps: (a) determination of the publications and the period covered that is analyzed, (b) definition of categories by which the individual article is classified and (c) statistical analysis and interpretation of findings.

#### *3.1. Selection of journals*

A total of 25 leading scholarly journals from the field of international business, general management, and international marketing (Table 2) formed the resource for this literature review. The study did not include books or conference proceedings, and focused on English-language publications only. The sample includes the so-called “main group” of the top IB journals (e.g., Journal of International Business Studies, Journal of World Business, Management International Review, Multinational Business Review), the leading management and strategy journals (e.g., Academy of Management Journal, Academy of Management Review, Administrative Science Quarterly, Strategic Management Journal), well-regarded journals with a strong international or European perspective (e.g., Journal of International

Management, European Management Journal), practitioner-oriented management journals (e.g., Harvard Business Review, Business Horizons, California Management Review) and international marketing journals (e.g., Journal of International Marketing, Journal of Euromarketing). The “control group” contains two journals that are specifically focused on business and management issues in Central and Eastern Europe: the Journal for East European Management Studies and the Journal of East-West Business. The main group contains journals that were already covered in previous studies. The “control group” was chosen to compare the trends in the general international business and management journals with the two journals that specialize on business and management issues in CEE.

<b>Main Group</b>	<b>Main Group</b>
Academy of Management Journal	Journal of International Consumer Marketing
Academy of Management Review	Journal of International Management
Administrative Science Quarterly	Journal of International Marketing
Business Horizons	Journal of Management Studies
California Management Review	Journal of World Business
European Journal of Marketing	Management International Review
European Management Journal	Multinational Business Review
Harvard Business Review	Sloan Management Review
International Business Review	Strategic Management Journal
International Marketing Review	
Journal of Business Research	<b>Control Group</b>
Journal of Euromarketing	Journal for East European Management Studies
Journal of Global Marketing	Journal of East-West Business
Journal of International Business Studies	

Table 2: Journals covered in the literature review

### *3.2. Definition of categories*

Every comprehensive literature review comprises a determination of categories as an essential step to gaining deeper insight. In addition to the bibliographic data – journal, author(s), and year of publication – the choice of content-related categories is critical. While developing the categories, we tried to cover the theoretical foundation of CEE research and to keep a certain distance from the topics dominating existing research on CEE. Theoretical

foundation of categories means that the central research topics constituting and legitimating the current research agenda of business and management research in CEE have to be captured by the classification scheme. The transformation process from a centrally planned economy to a market economy and the characteristics of the business environment in CEE as well as their impact on businesses have so far constituted the research agenda (Schuh and Springer, 1997; Peng, 2000). Consequently, topics such as the transition process, privatization, and the different environmental forces have to be considered as (sub-) categories. However, at the same time the classification scheme should be defined in such a broad way that all major business functions and decision-areas are comprised. This guarantees that the existing body of research is not dominating the categorization as it would be the case if categories were developed following a pure inductive approach. Based on these considerations, 10 research areas were selected which cover the main decision-areas in management. In addition, 61 research topics were identified forming a mix of typical subcategories of the research areas and central topics of CEE-research. The 10 research areas and its 61 subcategories or research topics are listed in Table 3.

Research Areas	Subcategories – Research Topics	Subcategories – Research Topics
1.1. Interrelation between Business Environment and Management	<i>1.1.1. Transition Process</i>	<i>1.1.6. Technological Aspects</i>
	<i>1.1.2. Privatization</i>	<i>1.1.7. Environmental Aspects</i>
	<i>1.1.3. Economic Aspects</i>	<i>1.1.8. Infrastructure</i>
	<i>1.1.4. Cultural-Social Aspects</i>	<i>1.1.9. Entrepreneurship</i>
	<i>1.1.5. Political-Legal Aspects</i>	<i>1.1.10. Business Education</i>
1.2. Corporate/Business Strategy	<i>1.2.1. Strategy Development/Strategic Planning</i>	<i>1.2.4. Strategy implementation</i>
	<i>1.2.2. Market Entry Method/Mode of Operation</i>	<i>1.2.5. Cooperation</i>
	<i>1.2.3. Market and Risk Assessment</i>	
1.3. Marketing Management	<i>1.3.1. Marketing Strategy</i>	<i>1.3.6. Sales Management</i>
	<i>1.3.2. Market Segmentation</i>	<i>1.3.7. Communications Strategy</i>
	<i>1.3.3. Product Strategy</i>	<i>1.3.8. Consumer Behavior &amp; Organizational Buying</i>
	<i>1.3.4. Pricing Strategy &amp; Barter and Compensation Agreements</i>	<i>1.3.9. Market and Marketing Research</i>
	<i>1.3.5. Distribution Strategy</i>	
1.4. Financial Management	<i>1.4.1. Financial Markets</i>	<i>1.4.3. Investing in CEE Operations</i>
	<i>1.4.2. Financing Operations in CEE</i>	<i>1.4.4. Financial Control</i>
1.5. Operations Management	<i>1.5.1. Quality Management</i>	<i>1.5.4. Logistics</i>
	<i>1.5.2. Procurement</i>	<i>1.5.5. Outsourcing</i>
	<i>1.5.3. Production</i>	
1.6. Human Resource Management	<i>1.6.1. Human Resource Planning</i>	<i>1.6.5. Reward Systems</i>
	<i>1.6.2. Recruitment (Selection &amp; Placement)</i>	<i>1.6.6. Quality of Work Life &amp; Productivity</i>
	<i>1.6.3. Performance Appraisal</i>	<i>1.6.7. Training &amp; Career Development</i>
	<i>1.6.4. Compensation</i>	<i>1.6.8. Employee Rights &amp; Unionization</i>
1.7. Accounting & Taxation	<i>1.7.1. Financial Accounting</i>	<i>1.7.3. Accounting Requirements in CEE Markets</i>
	<i>1.7.2. International Accounting Standards</i>	
1.8. Research & Development	<i>1.8.1. Strategy</i>	<i>1.8.3. Technology Transfer</i>
	<i>1.8.2. Organization</i>	
1.9. Management & Organization	<i>1.9.1. Corporate Governance (Stakeholder/Shareholder Orientation)</i>	<i>1.9.6. Organizational Behavior</i>
	<i>1.9.2. Management System</i>	<i>1.9.7. Organizational Structure</i>
	<i>1.9.3. Management Styles</i>	<i>1.9.8. Change Management &amp; Organizational Development</i>
	<i>1.9.4. Leadership</i>	<i>1.9.9. Conflict Management</i>
	<i>1.9.5. Corporate Culture (Values &amp; Ethics)</i>	<i>1.9.10. Negotiations</i>
1.10. Planning & Controlling	<i>1.10.1. Management Information Systems</i>	<i>1.10.3. Management Accounting</i>
	<i>1.10.2. Planning &amp; Controlling Systems</i>	<i>1.10.4. Benchmarking</i>

Table 3: Research areas and research topics

In addition to the above data, the country or region in CEE, addressed in the study, and the research methodology used were recorded. For the purpose of this study, CEE encompasses Central (Eastern) Europe, the Baltic States, South-Eastern Europe (including the West-Balkan) as well as Belarus, Moldova, Russia, and Ukraine. The Central Asian republics

of the CIS were not included. The classification of the research method was defined in accordance with the dichotomy used by Li and Cavusgil (1995), who differentiate between conceptual and empirical research. Conceptual research refers to studies that concentrate on the formulation of ideas, concepts, theories and models, while empirical research deals with data-based studies that focus on the substantiation and validation of concepts, hypotheses, and theories through data analysis (Li & Cavusgil, 1995). Empirical research is further divided into statistical and non-statistical research. Statistical research uses quantitative analysis, whereas non-statistical research is based on case study research or observation of facts.

### *3.3. Selection and coding of articles*

To begin with, all issues of the selected 25 academic journals between 1990 and 2005 were screened for articles dealing with topics related to CEE. Articles referring to CEE either in their title or in the abstract (or in the key words section) were taken into consideration. Then it was checked if they were research articles. A total of 617 articles dealing with aspects of doing business in CEE were identified in this process. 326 belonged to the “main group”, 291 to the “control group”. In a further step each article was classified according to the pre-defined categories: journal, author(s), year of publication, research area/topics, country/region, and research methodology. Multiple entries were allowed in the research topic and country section. Frequency distribution was used as the sole method of statistical analysis.

### *3.4. Limitations*

Content analysis requires decisions by the researchers that can impair the quality of the findings. Our approach was guided by the following principles: a clear focus on business and management issues, accessibility of the sources and consistency with previous reviews

using similar methods. The choice of articles written in English and published in leading scholarly management journals only may be seen as a drawback. Local academic tradition may hold the publication of books or contributions in books in high regard as well as the publication in national scholarly journals. However, having total awareness of publications in such a broad field as management in 18 countries and then, when identified, having access to the publication and additionally the resources to translate them makes this mission nearly impossible. In addition, quality judgments have to be made in each case, namely if a publication should be included or not, and the level of standards can differ from country to country. By adhering to articles published in English in renowned journals several of these problems are solved. The focus on English-language publications is justified as it is the principal language of internationally operating businesses and of the international scientific community. We acknowledge that future research may attempt to examine non-English-language publications but screening diverse forms of publications (journals, books, working papers) in 18 countries with 18 official languages would make it a Herculean task. The slight preference for international marketing journals goes back to the establishment of the database when the availability of CEE-related articles was determining the choice of journals. When looking at the journals where CEE-related articles were published in the (early) 1990s international marketing journals were standing out as a publication channel. The description of business environment, the assessment of country market attractiveness and risks, the choice of market entry modes, and marketing strategies were important management challenges at this time and could be found in general management and international marketing journals alike. The results in the “control group” consisting of two journals with a general East-West business perspective mirror this bias: marketing management ranks 5<sup>th</sup> with 10% of listings compared to 4<sup>th</sup> with 24% of listings in the “main group”.

#### **4. Findings**

The ranking of the journals by articles in the main group (Table 4) shows a relatively high concentration of CEE related publications in two journals, the Journal of World Business (15.64%) – formerly known as the Columbia Journal of World Business – and the European Management Journal (13.8%). The top-5 journals account for nearly 50% of all articles. All top-5 journals have an international or European management and business orientation. Not surprisingly, journals with a general management orientation contain fewer articles – the more practitioner-oriented journals Business Horizons and Harvard Business Review lead this group. Besides a general attraction of the Journal of World Business for CEE-oriented authors supposedly resulting from the high number of publications on CEE topics, two special issues in 2003 – one dealing with “Constructing Management in Eastern Europe” and the other with “Corporate Governance in Transitioning Economies” –, have strongly contributed to the top position of the Journal of World Business. When comparing the number of publications between the main and the control group, one has to be aware that both specialized journals of the control group were first published in 1995. With 291 articles their output comes close to the total number of articles published in the main group from 1990 – 2005.

<b>Main Group</b>	<b># of Articles</b>	<b>% of Articles</b>
Journal of World Business	51	15.64%
European Management Journal	45	13.80%
Journal of Euromarketing	25	7.67%
International Marketing Review	20	6.13%
Management International Review	18	5.52%
Business Horizons	17	5.21%
Journal of International Business Studies	17	5.21%
Harvard Business Review	16	4.91%
Journal of Business Research	16	4.91%
International Business Review	15	4.60%
European Journal of Marketing	14	4.29%
Journal of Management Studies	13	3.99%
Academy of Management Journal	9	2.76%
California Management Review	9	2.76%
Journal of International Marketing	9	2.76%
Multinational Business Review	9	2.76%
Strategic Management Journal	7	2.15%
Journal of Global Marketing	5	1.53%
Academy of Management Review	4	1.23%
Journal of International Consumer Marketing	4	1.23%
Administrative Science Quarterly	1	0.31%
Journal of International Management	1	0.31%
Sloan Management Review	1	0.31%
<b>Total</b>	<b>326</b>	<b>100.00%</b>
<b>Control Group</b>	<b># of Articles</b>	<b>% of Articles</b>
Journal for East European Management Studies	146	50.17%
Journal of East-West Business	145	49.83%
<b>Total</b>	<b>291</b>	<b>100.00%</b>

Table 4: Distribution of relevant articles by academic journal

The frequency distribution by year of publication can be viewed as an indicator for the research activity. The average number of papers published per year in the 16-year-period is 20.36 articles. It is difficult to find a general pattern of development over this period at first sight. The rise in publications in the early 1990s can be explained by the general increase in interest in the reforming countries of CEE. The decline to 7 articles in 1999 led Schuh and Pacolt (2000) to believe that management research on CEE has the character of a fashion phenomenon and that after ten years the interest among IB researchers is on the wane. The



sharp increase to 25 articles in 2000 again and the peak in 2003 with 37 articles (massively supported by 15 contributions in two special issues of the Journal of World Business) gives a different impression. Although below the 16-year average in 2004 and 2005, the CEE topic is still present in the journals.

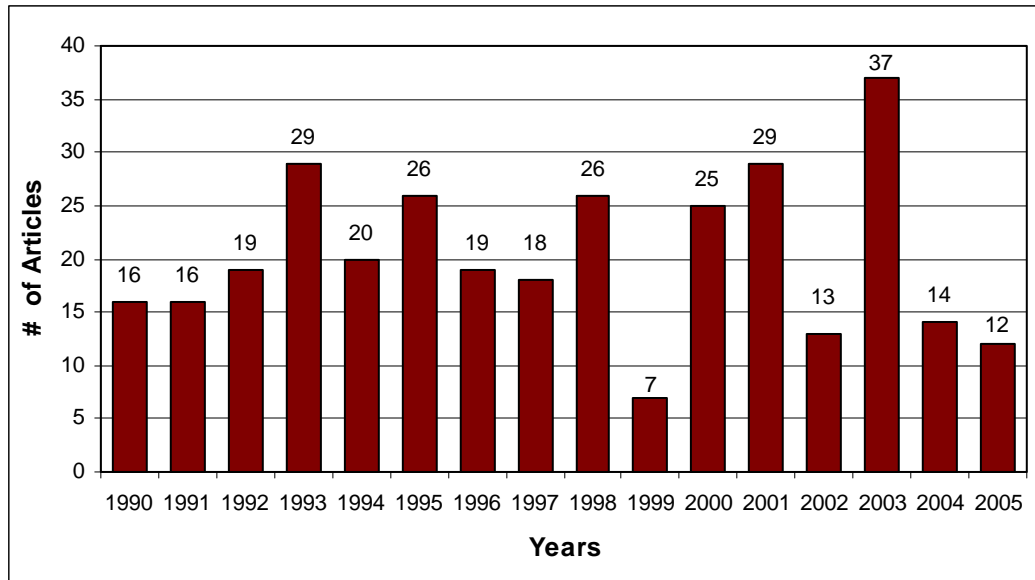


Figure 1: Frequency distribution by year of publication

A more profound insight into the specific research content can be reached by analyzing the elements of research area and research topic. Table 5 shows the ranking by listings of all the research areas of the main group. The category “Interrelation between Business Environment & Management” clearly leads the ranking. This research area encompasses the impact of environmental forces (economic, political-legal, cultural-social, technological aspects) as well as the impact of the transition and privatization process on business decisions. 62% of the articles address the relationship between the different and continuously changing business environment in the transition economies of CEE to a certain extent. “Corporate/Business Strategy”, “Management & Organization”, and “Marketing

Management” follow on the ranks 2 to 4 as most popular research areas. “Accounting & Taxation” with no listing, “Planning & Control” with 2 and “Research & Development” with 3 listings occupy the lower end of the ranking.

Research Areas	# of Articles	% of Articles
1. Interrelation between Business Environment & Management	203	62.27%
2. Corporate/Business Strategy	98	30.06%
3. Management & Organization	84	25.77%
4. Marketing Management	78	23.93%
5. Human Resource Management	32	9.82%
6. Financial Management	27	8.28%
7. Operations Management	5	1.53%
8. Research & Development	3	0.92%
9. Planning & Controlling	2	0.61%
10. Accounting & Taxation	0	0.00%

Table 5: Ranking of research areas – main group

Research Areas	# of Articles	% of Articles
1. Interrelation between Business Environment & Mgt.	171	58.76%
2. Management & Organization	94	32.30%
3. Corporate/Business Strategy	66	22.68%
4. Financial Management	36	12.37%
5. Marketing Management	30	10.31%
6. Human Resource Management	30	10.31%
7. Operations Management	8	2.75%
8. Research & Development	4	1.37%
9. Planning & Controlling	4	1.37%
10. Accounting & Taxation	2	0.69%

Table 6: Ranking of research areas – control group

The ranking of the control group underscores the findings in the main group. “Management & Organization” ranks second before “Corporate/Business Strategy” and “Financial Management”, while “Marketing Management” shows lower listings and follows on the 5<sup>th</sup> rank. These differences might be explained by the “younger” database of the control group. Given the fact that the specialist journals were introduced in 1995, the coverage of the

early 1990s is missing in these publications. Marketing is typically the business function that is in strong demand in the early stages of the internationalization when a foreign market's attractiveness is assessed, entry methods are selected and marketing strategies developed. In the later stages of the presence, when local subsidiaries are founded, local companies are acquired or joint ventures with local partners are formed, the management of the local operation gains in importance. Assuming that scientific literature mirrors business reality in CEE, this shift in importance is proven by the fact that "Marketing Management" ranked 3<sup>rd</sup> with 28% of listings in the 1990-97 period while in the 1998-2005 period it slipped one notch to rank four with 20% of listings (Table 7). In the same split-group analysis by time period "Management & Organization" jumped from 4<sup>th</sup> rank (16%) to 2<sup>nd</sup> rank (36%). Another category improving its positions by number of listings was "Human Resource Management" moving up from 6% to 14%. "Financial Management" lost one notch and slid from 12% to 5% of total listings (Table 7).

<b>Research Areas – 1990 - 1997</b>	<b># of Articles</b>	<b>% of Articles</b>
1. Interrelation between Business Environment & Management	104	63.80%
2. Corporate/Business Strategy	53	32.52%
3. Marketing Management	45	27.61%
4. Management & Organization	26	15.95%
5. Financial Management	19	11.66%
6. Human Resource Management	9	5.52%
7. Operations Management	4	2.45%
8. Research & Development	1	0.61%
9. Accounting & Taxation	0	0.00%
10. Planning & Controlling	0	0.00%
<b>Research Areas – 1998 - 2005</b>	<b># of Articles</b>	<b>% of Articles</b>
1. Interrelation between Business Environment & Management	99	60.74%
2. Management & Organization	58	35.58%
3. Corporate/Business Strategy	45	27.61%
4. Marketing Management	33	20.25%
5. Human Resource Management	22	13.50%
6. Financial Management	8	4.91%
7. Research & Development	2	1.23%
8. Planning & Controlling	2	1.23%
9. Operations Management	1	0.61%
10. Accounting & Taxation	0	0.00%

Table 7: Comparison of research areas for the 1990-1997 and 1998-2005 period

Further information can be gained from the results at the sub-category level, at the level of research topics. The top-10 research topics are listed in Table 8 (main group) and Table 9 (control group). The “Transition Process” was mentioned as a key element in 31% of the articles. Strategic issues such as “Strategy Development/Strategic Planning” (18%), “Market Entry Method/Mode of Operation” (17%) and “Marketing Strategy” (12%) follow far behind. The high rankings of “Privatization”, “Cultural-Social”, “Economic” and “Political-Legal Aspects” as well as “Market & Risk Assessment” demonstrate the importance of the business environment as a major influence on business decisions. From a contingency perspective, environmental variables can be either the subject of research themselves (“environmental studies”), or they have the character of moderating variables which influence the impact of independent strategy variables (mode of entry, marketing strategy, restructuring strategy etc.) on the performance of a business. The dense appearance of environmental variables in the top rankings indicates their importance in the explanation of business decisions in these transitional economies. The findings of the control group are highly consistent with the top-10 ranking of the main group. Eight out of ten topics are identical. “Investing in CEE Operations” and “Change Management & Organizational Development” replace “Marketing Strategy” and “Market and Risk Assessment” in the control group (Table 9).

<b>Top-10 Research Topics</b>	<b># of Articles</b>	<b>% of Articles</b>
1. Transition Process	102	31.29%
2. Strategy Development/Strategic Planning	60	18.40%
3. Market Entry Method/Mode of Operation	57	17.48%
4. Privatization	42	12.88%
5. Cultural-Social Aspects	41	12.58%
6. Marketing Strategy	40	12.27%
7. Economic Aspects	38	11.66%
8. Political-Legal Aspects	34	10.43%
9. Market and Risk Assessment	20	6.13%
10. Corporate Culture (Values & Ethics)	20	6.13%

Table 8: Top-10 research topics - main group

<b>Top-10 Research Topics</b>	<b># of Articles</b>	<b>% of Articles</b>
1. Transition Process	127	43.64%
2. Market Entry Method/Mode of Operation	38	13.06%
3. Strategy Development/Strategic Planning	32	11.00%
4. Corporate Culture (Values & Ethics)	27	9.28%
5. Privatization	26	8.93%
6. Political-Legal Aspects	26	8.93%
7. Investing in CEE Operations	24	8.25%
8. Cultural-Social Aspects	22	7.56%
9. Change Management & Organizational Development	19	6.53%
10. Economic Aspects	17	5.84%

Table 9: Top-10 research topics - control group

A look at the lower end of the ranking is also informative (Table 10). It is where you can find the research topics that have been so far neglected by researchers. Although it is difficult to group them in a sensible way it is remarkable that contributions referring to management systems (accounting, information, planning, controlling, reward) as well as a few up-stream business functions such as logistics, procurement, and R&D are not at all represented or under-represented in the journals. The disregard of areas such as “Quality Management”, “Employee Rights & Unionization”, “Technology Transfer” and “Cooperation” in research is striking because they are important aspects in the management of local companies and partnerships in CEE. The results of the main group are echoed in the control group (Table 11).

<b>The Most Under-Represented Research Topics</b>	<b># of Articles</b>	<b>% of Articles</b>
Accounting Requirements in CEE Markets	0	0.00%
Conflict Management	0	0.00%
Employee Rights & Unionization	0	0.00%
Financial Accounting	0	0.00%
International Accounting Standards	0	0.00%
Logistics	0	0.00%
Management Information Systems	0	0.00%
R&D Organization	0	0.00%
Planning & Controlling Systems	0	0.00%
Benchmarking	1	0.31%
Cooperation	1	0.31%
Management Accounting	1	0.31%
Procurement	1	0.31%
Quality Management	1	0.31%
Quality of Work Life & Productivity	1	0.31%
Performance Appraisal	2	0.61%
Reward Systems	2	0.61%
Strategy (R&D)	2	0.61%
Technology Transfer	2	0.61%

Table 10: Most under-represented research topics – main group

<b>The Most Under-Represented Research Topics</b>	<b># of Articles</b>	<b>% of Articles</b>
Cooperation	0	0.00%
Financial Accounting	0	0.00%
Human Resource Planning	0	0.00%
International Accounting Standards	0	0.00%
Negotiations	0	0.00%
Outsourcing	0	0.00%
Performance Appraisal	0	0.00%
Planning & Controlling Systems	0	0.00%
Reward Systems	0	0.00%
R&D Strategy	0	0.00%
Accounting Requirements in CEE Markets	1	0.34%
Benchmarking	1	0.34%
Communications Strategy	1	0.34%
Conflict Management	1	0.34%
Distribution Strategy	1	0.34%
Financial Control	1	0.34%
Management Accounting	1	0.34%
Quality Management	1	0.34%
Quality of Work Life & Productivity	1	0.34%
Sales Management	1	0.34%

Table 11: Most under-represented research topics – control group

When analyzing the countries addressed in the research work (Table 12), Russia takes the lead as most popular country followed by Central European countries (Poland, Hungary, Czech Republic) and South-Eastern European countries (Romania, Bulgaria). The economic and political importance of a country and its progress in the transition process seem to have a positive influence on the interest of researchers. Russia as the political and since 1999 revived economic powerhouse in the region has always held a special position in CEE research. The strong interest in Central European countries may result from the fact that it is easier to carry out research when more stable conditions in the economy are given, reliable data about economic developments are available, and certain patterns have emerged that can be subjected to analysis. Moreover, closeness and openness to the West may also play an important role.

Main Group	# of Articles	% of Articles	Control Group	# of Articles	% of Articles
1. Russia	87	26.69%	1. Russia	71	24.40%
2. Poland	42	12.88%	2. Poland	57	19.59%
3. Hungary	41	12.58%	3. Hungary	36	12.37%
4. Czech Republic	15	4.60%	4. Slovenia	32	11.00%
5. Romania	10	3.07%	5. Czech Republic	27	9.28%
6. Bulgaria	10	3.07%	6. Bulgaria	19	6.53%
7. Ukraine	5	1.53%	7. Romania	18	6.19%
8. Slovenia	5	1.53%	8. Estonia	14	4.81%
9. Belarus	3	0.92%	9. Slovakia	12	4.12%
10. Croatia	2	0.61%	10. Ukraine	7	2.41%
11. Serbia	2	0.61%	11. Belarus	3	1.03%
12. Estonia	2	0.61%	12. Lithuania	3	1.03%
13. Albania	1	0.31%	13. Croatia	2	0.69%
14. Slovakia	1	0.31%	14. Albania	2	0.69%
15. Lithuania	0	0.00%	15. Latvia	1	0.34%
16. Latvia	0	0.00%	16. Serbia	0	0.00%
17. Bosnia	0	0.00%	17. Bosnia	0	0.00%

Table 12: Frequency distribution by country

When comparing the research methods used in the studies (Figure 2 and 3), empirical-statistical studies represent the majority share (41% in the main group). 33% of the articles adopted empirical/non-statistical methods and 24% were purely conceptual works. The

comparison of the main with the control group shows almost identical results. Furthermore, we analyzed if there are differences in the usage of methods depending on the point in time of the research. It seems plausible to assume that more sophisticated methods (e.g., multivariate analyses) are employed in a later stage after the establishment of a certain basis of knowledge on doing business in CEE. By splitting the main group into two time-series, namely one covering the 1990-1997 period, the other covering the 1998-2005 period, differences in the usage of methods can be highlighted (Figure 3). Conceptual works are more frequent at the beginning of the transition process and then decline from 34.36% to 12.88% in the second period. On the other hand both segments of the empirical studies have gained in importance over the years.

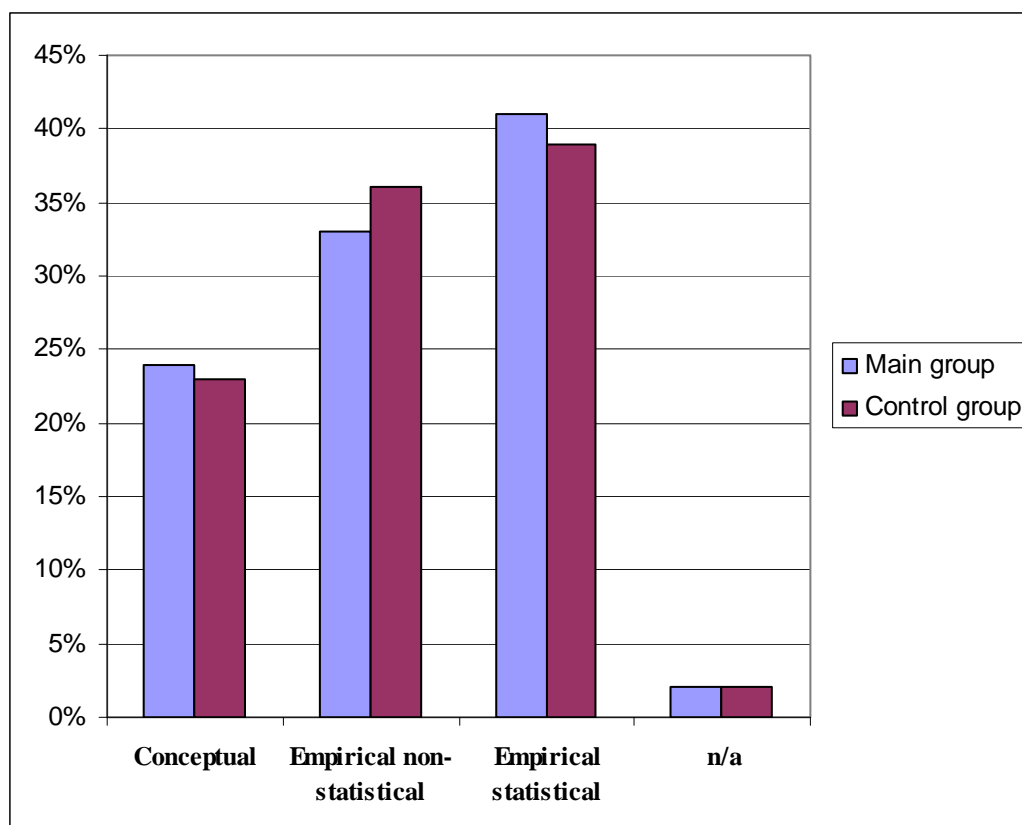


Figure 2: Comparison of research methods – Main versus control group



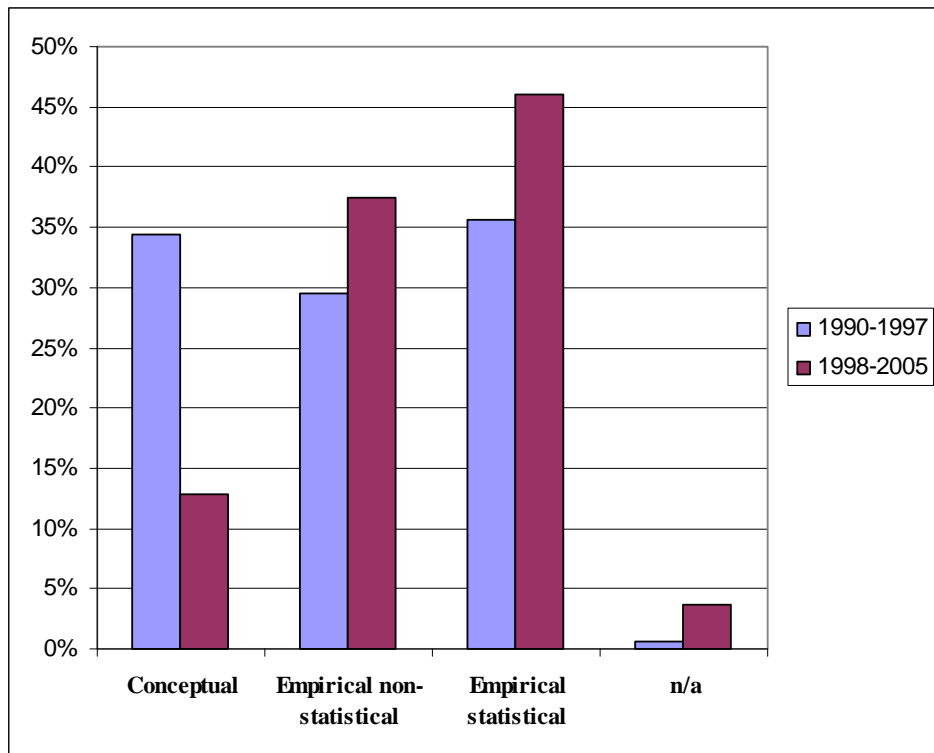


Figure 3: Comparison of research methods for the 1990-1997 and 1998-2005 period

Table 13 shows a list of the most active researchers in this field. It includes both the main and the control groups. The number of articles includes all contributions that were either published as the sole author or as a co-author together with other scholars.

<b>Author</b>	<b># of Articles</b>
1. Meyer, Klaus	12
2. Puffer, Sheila	12
3. Filatotchev, Igor	10
4. Buck, Trevor	9
5. Wright, Mike	8
6. Fey, Carl	7
7. Brouthers, Keith	6
8. McCarthy, Daniel	6
9. Brouthers, Lance	6
10. Elenkov, Detelin	5
11. Peng, Mike	5
12. Lyles, Marjorie	5
13. Uhlenbruck, Klaus	4
14. Tihanyi, Laslo	4
15. Michailova, Snezhina	3
16. Clark, Ed	3
17. Makhija, Mona	2
18. Markoczy, Livia	2

Table 13: Ranking by authors

## 5. Conclusions

We identified a total of 617 articles dealing with aspects of doing business in CEE in this literature review. 326 belong to the “main group” constituted by 23 leading scholarly journals from the field of international business, general management and international marketing, while 291 formed the “control group” consisting of the Journal of East West Business and the Journal for East European Management Studies. The frequency distribution by year of publication for the 1990-2005 period does not show any conclusive pattern. Although the numbers for 2004 and 2005 are below the 16-year average of 20 articles per year, there is no reason to dismiss CEE management research as a possible fashion phenomenon as presumed by Schuh and Pacolt (2000). There was this sharp fall to 7 articles in 1999, the lowest level in the period observed, but it recovered again. Two special issues in 2003 in the Journal of World Business brought CEE management research to a new peak.

Thus, the numbers do not show a marked loss of popularity of this stream of research in general. 15 articles in two special issues in one year and one journal prove that there is a broad base of involved researchers.

The majority of articles still addresses the relationship between the business environment and management. Strategic issues dealing with how to position a firm and businesses in these markets and how to respond to this changing environments and markets follow in the ranking. This pronounced environmental and strategic orientation is documented at the level of research topics, too: The “transition process” (31% of articles), “strategy development/strategic planning” (18%), and “market entry methods” (18%) are identified as the top-3 research topics. This supports the view that the economic transition process is used as the dominant perspective when approaching management research in CEE as pointed out by Schuh and Springer (1997) and Peng (2000). However, there are some noticeable changes in the relative positions of research areas. Between the 1990-97 and 1998-2005 periods, the relative gains of “Management & Organization” (from 16% to 36% of articles) and “Human Resources” (from 6% to 14%) are striking. It seems that researchers have turned their attention increasingly to the analysis of the implications of the transition process on a business level and to the struggle of management with organizational change. Articles dealing with corporate governance, organizational change, leadership, and motivation of personnel have become more popular in the last years.

The split-group analysis by time period reveals other important trends: a continuous rise of empirical-statistical studies from 36% to 46% of all studies in the second half of the observation period, while conceptual studies fell from 34% to 13%. This goes along with a stronger interest in theory-driven research, in particular by relating empirical studies to the more comprehensive organizational theories, which generally shape management research today. Meyer and Peng (2005) are sensing this trend when they call for more theory-related

research either by using the transitional environment of CEE as a laboratory for testing theories, in particular the institutional theories, or for building new theories nurtured by these unique radical transformations of the societies and economies in the region. The stronger rooting of CEE management research in core management theories holds the potential of lifting it from a regional studies status to a potential contributor of innovative theoretical insights to international business research.

These considerations lead us to the future research agenda for CEE business and management research. While retrospection tells us about popular and less popular research areas and trends, a judgment about the future direction of CEE research has to take into account the current developments in the business environment in the region, too. The considerable progress in the transformation process calls into question the central role of this phenomenon as an explanatory concept for CEE research – at least in Central Europe economists claim that the transformation into a market economy is already accomplished. On the other hand, the countries in South-Eastern Europe or in the CIS are still involved in substantial reforms. Thus, this group of laggards in the transition process offers plenty of opportunity for further transition-related research. However, when removing the macro-economic transition process as a central explanatory concept what would be left to justify CEE as a regional research perspective in international business? Does the analysis of the (often time-lagged) trickle-down effect of macro-economic changes to micro-levels such as national culture, industries, businesses, managerial behavior and consumer behavior provide enough scientific appeal and potential to continue with the transition process as a paradigm for CEE research? Will the emergence of a more integrated market in the region and in Europe in general alternatively offer a new basis for regional research? Maybe the term CEE has become too heterogeneous to be able to integrate the economic developments in this geographic region. The recent rise of broader conceptual terms such as “economies in

transition” or “emerging markets/economies” indicate a shift in perspectives away from regional to supra-regional categories referring to other distinctive country characteristics (Schuh and Pacolt, 2000).

The geographic, economic and cultural characteristics of a country or region will always play a role in international management, so that there is a continuous need for scientific support. Although important from the practitioner’s point of view, pure regional studies are not held in high regard from a theoretical perspective. Comparative research on a regional level could help to raise the status of CEE studies. For example, (post-) privatization issues, “transitional joint-ventures” between Western and local partners, or the globalization of markets and consumer behavior are current topics in other emerging markets of the world too and comparing the experiences of firms in CEE with those in Asia, Africa or Latin America could offer interesting new insights, especially with regard to institutional theory. Hence to attract more attention in the IB research community, CEE management research has to search for unique business and management phenomena typical for the CEE context (Schuh, 2007). Unique business phenomena originating from a CEE context give innovative insights and have the potential to add value to IB theory. Value can be added to IB theory by using CEE phenomena either for testing theories stemming from developed economies or for building new theories. In both cases the inherent innovative potential of regional studies is utilized. Although merely introduced as a general guideline here, we think it is worth leading this discussion about the future direction of CEE business research based on the principles of uniqueness and value added. This orientation at the theoretical innovativeness of contributions would be beneficial to researchers working on CEE issues and to the advancement of IB theory as well.

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