

ISBN 978 963 359 091 1

NEMZETSTRATÉGIAI KUTATÓINTÉZET

A MAGYAR TUDOMÁNY ÜNNEPE Magyar Tudományos Akadémia

UNIVERSITAS HUNGARIAE OCCIDENTALIS UNIVERSITY PRESS ANNO 1735

UNIVERSITAS SOPRONENSIS ANNO 1735

GEOPOLITIKAI STRATÉGIÁK KÖZÉP-EURÓPÁBAN NEMZETKÖZI TUDOMÁNYOS KONFERENCIA A MAGYAR TUDOMÁNY ÜNNEPE ALKALMÁBÓL SOPRONI EGYETEM, LÁMFALUSSY SÁNDOR KÖZGAZDASÁGTUDOMÁNYI KAR

GEOPOLITICAL STRATEGY IN CENTRAL EUROPE INTERNATIONAL SCIENTIFIC CONFERENCE JOINT EVENT OF THE HUNGARIAN SCIENCE FESTIVAL UNIVERSITY OF SOPRON, ALEXANDRE LÁMFALUSSY FACULTY OF ECONOMICS SOPRON, 2017

NEMZETKÖZI TUDOMÁNYOS KONFERENCIA, SOPRON, 2017. NOVEMBER 9.

INTERNATIONAL SCIENTIFIC CONFERENCE, SOPRON, 9 NOVEMBER 2017

**Geopolitikai stratégiák Közép-Európában
Nemzetközi tudományos konferencia a Magyar Tudomány Ünnepe alkalmából
Sopron, 2017. november 9.**

TANULMÁNYKÖTET



SZERKESZTŐ / EDITOR:

Dr. RESPERGER Richárd PhD

Dr. CZEGLÉDY Tamás PhD

KIADJA / PUBLISHED BY:

Soproni Egyetem Kiadó / University of Sopron Press
Sopron, 2017
100 példányban / 100 issues

ISBN:

978-963-359-091-1



VISSZA A MENÜBE / BACK TO SESSION LIST

INTERNATIONAL CHALLENGES

Helyszín/Place: Közgazdaságtudományi Kar Campusa (Erzsébet u. 9.) 206. terem
Campus of the Faculty of Economics (Erzsébet Str. 9.) Room 206

II. SZEKCIÓ / SESSION II

Elnök/Chairman: **Dr. Tamás CZEGLÉDY PhD**
Associate Professor (SOE LKK)

Titkár/Secretary: **Erzsébet NEDELKA**
Assistant Lecturer (SOE LKK)

A tanulmányok megtekinthetők az előadócímekre kattintva!
Click on the Title of the Paper to Read it!

Antal TAKÁCS
PhD Student (SOE LKK)

Persuasion in Multinational Environment

Rosita WIDJOJO
PhD Student (SOE LKK)

Agricultural Cooperatives: Comparison of Perspectives in Hungary and Indonesia

Adam CIBUEA
PhD Student (EUBA FVM)

The Challenges and Opportunities of the Sustainable Development Strategy in China

Dr. Natália HLAVOVÁ PhD
Assistant Professor (EUBA FVM)

2030 Agenda in Visegrad Group

Munif Mohammed Ali AL ZOUBI
PhD Student (SOE LKK)

The Different Uses of Facebook in Small and Large Businesses

**Osama Khaled AHMAD
 ALKHLAIFAT**
PhD Student (SOE LKK)

Can Organization Silence Inhibit Lean Management?

Doa'a JARRAR
PhD Student (SOE SEK)

Economic and Social Factors Behind Why Syrian Refugees Exited Hungary

Dr. Tamás CZEGLÉDY PhD
Associate Professor (SOE LKK)

Trade Balances in Trade Integrations

VISSZA A MENÜBE / BACK TO SESSION LIST

PERSUASION IN MULTINATIONAL ENVIRONMENT

Antal TAKÁCS¹

PhD Student

University of Sopron, Alexandre Lámfalussy Faculty of Economics, István Széchenyi Management and Organization Sciences Doctoral School, Hungary

Abstract

Persuasion is in the centerpiece of the daily life of multinational companies. Persuasion and conviction are among the main objectives of business presentations, meetings and HR interviews. Investors should be persuaded to buy or keep stock, partners to finance future projects, employees to achieve objectives and customers to buy products and services.

Persuasion is also used in employee motivation. Multinational companies can achieve the best results, if the reward their employees associate with the action the company recommends is both motivating and unique. However in many cases multinational companies should choose between a motivating and a unique rewards. These companies are much better off with a motivating reward, because many unique rewards are simply not motivating.

This paper discovers that persuasion is about fulfilling desires and not changing them. For example Maslow's unfilled desires cannot be changed. A successful persuader has to talk about what the audience, what the employees want to hear.

Keywords: cross-cultural communication, motivational factors, multinational companies, persuasion

JEL Codes: D70, D83, D90, M12, M14

1. INTRODUCTION

The different sources agree that persuasion was born thousands years ago. Persuasion is in the centerpiece of the daily life of multinational companies. Business presentations, meetings, HR interviews are impregnated with techniques of conviction and persuasion. Investors should be persuaded to buy or keep stock, partners to finance future projects, employees to achieve objectives and customers to buy products and services.

Persuasion should not be confused with branding and selling. Branding and selling means convincing people on an intellectual basis. On the other hand persuasion is about fulfilling desires. Indeed, a successful persuader should fulfill the audience unsatisfied needs and should not try to change them. As a matter of fact the unfilled desires, described by Maslow, cannot be changed. For example a manager cannot motivate an employee with a training, if the person has just lost his accommodation and has no home.

In multinational companies the techniques of persuasion are also used in employee motivation. Multinational companies can achieve the best results, if the reward their employees associate with the action the company recommends is both motivating and unique. However in many cases multinational companies should choose between a motivating and a unique rewards. These companies are much better off with a motivating reward, because many unique rewards are simply not motivating. In a multinational environment it is much easier to find a motivating

¹ takacs.antal@wanadoo.fr

Academic degrees: M.Sc. mechanical engineer, M.Sc. economist

result, which motivates the majority of the employees coming from different cultures. As a matter of fact employees having different cultural backgrounds represent many unique motivation factors. If the multinational company wants to satisfy all these desires, its message becomes so vague that finally the company cannot create any motivation. Instead of trying to satisfy all these unique needs multinational companies should look for the common denominator of the cultures being represented in their organisations. This is still not easy, but the message will be significantly shorter and understandable. The shortness of the messages comes from the fact that it focuses only on one motivating reward. Furthermore the better understandability comes from the fact that this single motivating factor “is written” in the majority of the cultural profiles.

Companies doing this type of communication have already understood that persuasion is about fulfilling desires and not changing them. This paper tries to bring some clarity to this finding.

Why is this topic so relevant today? Till the 1950s the majority of the companies were working only in one country and their teams were monolingual and monocultural. The 1970s changed this situation and the first international companies were born. Today, in 2017, our world is global and connected. More and more people are working in a multicultural environment. The management of the misunderstandings rooted in cultural differences and the value creation with people coming from different cultures became a daily routine of employees working for multinational companies. These organisations should invest in understanding their employees’ motivation factors. If they fail, they can easily find their names on the list of also-ran organisations.

Persuasion can help managers to become leaders. A leader is somebody, whom everybody respects. Other people follow him. He or she helps people to go beyond their limits. The biggest chunk of leader's job is to motivate people to achieve certain objectives. Leaders make companies a place, where people are ready to spend eight or more hours a day. They lead by example and make employees credible, reliable and confident.

A successful persuader has to talk about what the audience, what the employees want to hear. When multinational companies stop trying to change customers’ desires and start to show them how to achieve what they want, their marketing messages become significantly better. Their communication becomes more understandable and delivers real value, i.e. motivating reward. Their persuasion attempts become credible and focused on the audience's desires. And only then will be the persuader heard.

Nowadays many multinational companies train their people to capitalise on the ways persuasion can positively influence, stimulate and energise employees.

The only successful way of persuading anyone about anything is to tell them what they want and show them how to get it.

This paper presents the latest evolution of persuasion in multinational organisations.

2. LITERATURE OVERVIEW

There are many literatures reinforcing the theory that the human mind from an early age is wired for persuading stories. Indeed, every holy book of religions is a compilation of these stories.

The objective of this paper is to present persuasion in a multinational context. That’s why the literature overview focuses on those sources, which tackle persuasion in cross-cultural environment and help the author to give his own definition of persuasion at the end of this chapter.

Dale Carnegie

Carnegie states that the only way on earth to influence people is to talk about what they want, and show them how to get it. (Carnegie, 1936, p 24)

In other words this means that persuasion is about fulfilling desires and not about changing them. Managers of multinational organisations can persuade employees once. However this can be a one-time effect. If managers push their ideas too far, if they are too preachy and strident, employees can easily lose their motivation. As a consequence, employees will not be repeating the tasks their managers want them to do. When managers stop trying to change people's desires and start focusing on what they want and showing them how to achieve, their messages become significantly credible.

Ted O'Donoghue and Matthew Rabin

O'Donoghue and Rabin examine persuasion dynamically, in the time. They define the present-biased preference to highlight the importance of time factor in persuasion. (O'Donoghue and Rabin 1999, pp 103-124)

The present-biased preference describes the power of the immediate benefit over the delayed one. That's why persuasion is more difficult, when it comes to a delayed benefit and an immediate cost.

For example buying winter tyres to a lessen risk of accident on wintry roads is a typical example of present-biased preference. Tyre companies try to persuade customers to buy winter tyres in October or in November, when the roads are still black and so the immediate, tangible benefits of these products are not perceived yet. The majority of the customers prefers spending their money on things, which deliver them an immediate benefit. As a matter of fact, in European countries having white roads during winter, there are two types of customers. The European tyre industry identified 1) the snow conscious and 2) the snow driven customers.

Obviously the present-biased preference of the snow conscious customers is significantly smaller than that of the snow driven car owners. As a consequence, here again a one-fit-to-all communication campaign is not the right choice, because it does not bring the right message adapted to the audience unsatisfied desires.

Zsolt Hidasi

Hidasi, in his travel diary confirms the importance of the present-biased preference. He states that in the mountains what you can eat today, you should eat today. (2006, p 54)

This statement can also be analysed and successfully understood from Maslow's unsatisfied needs theory.

Scott Plous

Like O'Donoghue, Rabin and Hidasi, Plous also confirmed the importance of present-biased preference in decision making. (Plous 1993, pp 99-100)

He states that a certain reward is far more motivating than an uncertain reward, even if the uncertain reward has a very high probability. Immediacy and certainty are no doubt related to people's mind and so create emotions. As a consequence the message with immediacy and certainty can be easier remembered and has a higher persuasion effect.

Chip Heath and Dan Heath

They have studied effects of storytelling and realised that storytelling plays a key role in persuasion. They have further developed Carnegie's theory about persuasion and introduced the SUCCES model.

Chip and Dan Heath state that good stories are typically concrete and with emotional and unexpected components. The hardest part of using stories effectively is making sure they are simple. Presenter should build up the speech that words, pictures, tables and expressions reflect to the core message of the presentation. It is not enough to tell a great story; the story has to reflect the presenter's agenda. (Heath & Heath, 2007)

A successful persuasion naturally embodies most of the SUCCES framework. SUCCES is the

acronym of: simple, unexpected, concrete, credible, emotional and story. They described their theory in their book: Made to Stick.

Mihály Csikszentmihályi

Csikszentmihályi has researched the individual motivation. In the coming chapters we will see that motivation and persuasion are strongly linked. That's why Csikszentmihályi's researches deliver interesting points to this paper about persuasion. He concluded that people can be motivated only in the flow. (Csikszentmihályi, 2013)

Parreno, Mafe and Scriber (2015, p 32) define flow as an optimal experience, which is the mental state of operation in which a person performing an activity is fully immersed in a feeling of energized focus, full involvement, and enjoyment in the process of the activity. The latest scientific researches found out that when employees are motivated, when they are working in the flow, their body produces dopamine. This dopamine helps employees not to lose their interest in what they are doing. (Patel, 2015)

Paul J. Zak

Zak's researches on the field of neuroeconomics brought many new findings to persuasion.

As Patel, he also discovered, what is going on in human body, when people are listening to a persuasive person. (Zak, 2017)

He states that oxytocin is produced when we are trusted or shown a kindness, and it motivates cooperation with others. Oxytocin enhances the sense of empathy, our ability to experience others' emotions. Empathy is important for social creatures because it allows us to understand how others are likely to react to a situation, including those with whom we work. (Zak, 2014)

Zak makes clear, if the presenter is able to create tension then it is likely that attentive viewers/listeners will come to share the emotions of the characters in it, and after it ends, likely to continue mimicking the feelings and behaviors of those characters. (Zak, 2011)

We can consider that persuasion happens once, on the other hand motivation is a long term process and develops progressively in time. It means that a successful persuasion can result in motivation by persuading people to repeat desired actions in order to achieve what they want.

Maslow's Hierarchy of needs

According to Maslow's theory (1987), people are motivated by unsatisfied needs. Maslow's hierarchy of needs belongs to the content theories and is one of the most frequently and widely discussed theories of motivation.

Maslow has developed the hierarchy of needs consisting of five hierarchic layers, listed from basic to most complex as follows:

- Physiology (hunger, thirst, sleep, etc.)
- Safety / Security / Shelter / Health
- Social / Love / Friendship
- Self-esteem / Recognition / Achievement
- Self-actualization / achievement of full potential, which can never be fully accomplished.)

Maslow himself didn't diagram his classification of human needs. However almost everyone diagrams Maslow's classification as a pyramid.

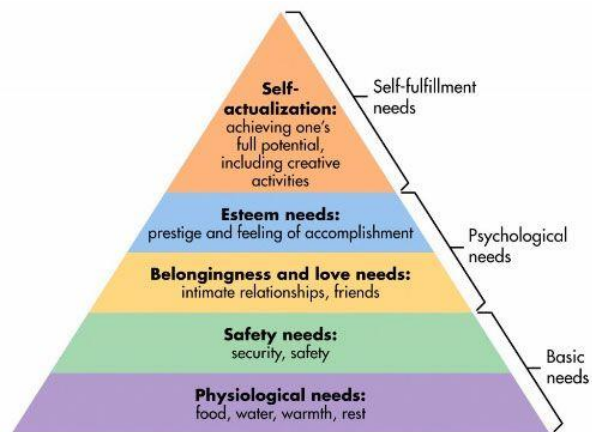


Figure 1: Maslow's Hierarchy of needs
Source: Wikipedia (2017)

James C. Crimmins

Without explicitly mentioning Maslow's unsatisfied needs Crimmins used them to highlight the importance of emotions in the process of persuasion. He states: Unless the target is physically deprived - hungry, thirsty, sleepy, and so on - emotional rewards are often more motivating than physical rewards. (Crimmins, 2016, p 103) We do not choose friends, spouse, religion, etc. by going through a well-defined selection process. Even though these choices might be the most important decisions of people's life, we do not go through a conscious process to make them. We make these choices, these decisions by using our emotions. Most users of a category of products are motivated by a similar set of desired benefits. That's why consumers can be clustered. For example in the tyre industry, researches show that all tyre-buyers are looking for a brand, which fulfills the same basic desires. Though the benefits they seek are the same, customers choose different brands because they believe that their desires can be fulfilled by different brands.

Crimmins adds the emotional factor to the present-biased preference by saying that a persuasion attempt becomes more powerful when focus on feeling and transform a reward that is delayed, uncertain and rational into one which is immediate, certain and emotional. (Crimmins, 2016, p 136)

These three adjectives, emotional, immediate and certain represent the main attributes of a successful motivation.

Donald E Brown's human universals

Brown, an anthropologist, examined, what desires seem to be universal across all human societies. (1991, pp 130-141) He identified many universal behaviors.

By examining these universal behaviors we can infer universal desires. For multinational companies these universal behaviors are essential to build up and to motivate multicultural teams.

Brown defines different types of universals: absolute, near, conditional and statistical universals.

Absolute universals consist of culture, society, language, and behavior.

A near universal is one for which there are some few known exceptions or for which there is reason to think that there might be some exceptions. E.g. fire making and keeping domestic dogs.

A condition universal, which is also called as implicational universal is an "if-then" universal. Conditional universals are particularly well documented in linguistics. E.g. if there is a cultural preference for one hand over the other then it will be the right hand that is preferred.

A statistical universal is one that may be far from absolutely universal but that occurs in unrelated societies at a rate that seems well above chance. E.g. the relation between pupil and pupil of the eye.

This paper introduces persuasion in cross-cultural context. In this regard Brown states that there is reason to suspect that the number of universals should be much higher, because their discovery and verification has hitherto suffered a sort of two-way blind. On one hand, anthropologists have shown more interest in differences than commonalities, and have not been well prepared to study the major class of universals that comprise the human mind. On the other hand, psychologists, while focused on the human mind, have too rarely sought cross-cultural validity for their findings. (Brown 2000, pp 156-17)

This means that when it comes to the description of persuasion in multinational environment, one should also focus on similarities and should take into consideration the multinational, multicultural context.

Maslow's hierarchy of needs and Brown's human universals can be solid foundations of a reward to offer in persuasion.

In the first circle: The persuader should focus on the desired benefits of people he is trying to persuade: health, wealth, happy family, etc.

In the second circle: The persuader should bring into the discussion all positive outcomes that might possibly result from taking the suggested actions.

The reward the persuader should offer and associate with the suggested action is the overlap.

The definition of persuasion

After this literature overview, the time has come to define persuasion in multinational environment.

The persuasion is a process resulted in the change of a person's (or a group's) attitude or behavior toward some objective, event, idea or other person(s), by using written or spoken words, infographics, body language to convey emotions, information or reasoning, or a combination of them. (Author 2017)

We can state the persuasion happens once, then this is the motivation, which keeps employees to go on with their daily, weekly, monthly and yearly routines. Motivation can also be considered as the sequence of persuasions.

The author of this current paper defines motivation factors of people working in multinational companies as follows:

People working in multinational companies should identify themselves with the values of the company, its leadership principles, working and business environment. Motivation factors develop intrinsic motivation and as a consequence make employees capable of creating long-term bounds with the company. They facilitate the acceptance of company's values and help people to work in the flow. (Author 2017)

3. THE LINK BETWEEN PERSUASION AND MOTIVATION

In our world everything is changing. In other terms it means that change is coming. In multinational organisations this permanent change is even more obvious than in monocultural companies.

Leaders should identify the change and should work out strategies and operational plans to cope with it. So first leaders are aware of the fact that the change comes, then they prepare an action plan and persuade employees to change their behaviour, attitude, etc. If an employee is persuaded, he or she should be motivated in order to keep the changed behaviour and to turn it into daily, weekly, monthly routines. Obviously if an employee refuses to change, he or she would quickly leave the organisation or become deeply demotivated and frustrated.

One can state that persuasion is short term, whilst motivation is long term. In many cases, but especially in change management processes persuasion is the first step to implement the change, which brings higher value for the organisation. See TABLE 1. to discover the main characteristics of persuasion and motivation.

Table 1. The main characteristics of persuasion and motivation

PERSUASION	MOTIVATION
Immediate	Delayed
Emotional	Rational
Certain	Dream
Short term	Long term
Once	Repeatedly
Changing behaviour	Keeping behaviour
Focus on feelings	Focus on attributes

Source: Author's research (2017)

Multinational companies can achieve the best results, if the reward their employees associate with the action the company recommends is both motivating and unique. However in many cases multinational companies should choose between a motivating and a unique rewards. These companies are much better off with a motivating reward, because many unique rewards are simply not motivating.

In the marketing world there are two acronyms, the USP (Unique Selling Point) and the USB (Unique Selling Benefit). They used to create a competitive edge for the brand the company markets. As a matter of fact there are many technical features, which are used as a USB. For example many tyre manufacturers claim that their tyres deliver a low rolling resistance. Obviously this is not a unique benefit. First of all it is not unique, because many other tyre manufacturers can say that their products deliver low rolling resistance. Second it is not a benefit. It is just a technical feature. The advantage of the low rolling resistance is the low fuel consumption. And finally the low fuel consumption results into real benefits: a lower monthly spending on fuel, lower environmental footprint, etc.

Features and advantages are technical, on the other hand benefits are emotional. We saw that the cradle of persuasion is emotion. Without the emotional touch, leaders will never be able to persuade their employees.

Furthermore persuasion is about fulfilling desires and not changing them. For example Maslow’s unfilled desires cannot be changed. A manager cannot motivate an employee with a training, if the person has just lost his accommodation and has no home.

A successful persuader have to talk about what the audience, what the employees want to hear. When multinational companies stop trying to change what, for example, customers want and instead try to show them how to receive what they want, their marketing messages become significantly different. The persuasion attempts become credible and focused on the audience's desires. And only then will be the persuader heard.

The famous FAB (Features, Advantages and Benefits)

FAB is another acronym and stands for Features, Advantages and Benefits. It is very frequently

used in product related marketing communication. Marketing directors of leading companies are coming from the same universities, where the FAB concept has been being taught for a long time. Even though the majority of the actual marketing campaigns focus only on features and in a better case advantages. Benefits, which are linked with emotions and so can create motivation are rarely used.

Everybody can be persuaded by a promise of ameliorated product performance. On the other hand we should not forget that the ultimate goal of persuasion in multinational companies is to motivate people to do desired actions. These actions are in line with the objectives of the company and should also be in line with the audience's desired rewards.

The latest findings on neurobiology (neuroscience) blow traditional presentations to bits. Presenters, if they want to be remembered, should start with compelling, emotional, human-scale story. Instead of repeating technical features, they should focus on the benefits, their audience's benefits. How do these benefits improve the listener's life? Why should the audience trust in the presented features and advantages? What will happen, if they give their approval to the presenter? These are the leading questions, which make a presentation emotional, convincing and memorable. In other words, these are the questions, which help the persuader to create motivation.

As the literature overview made it clear, persuasion is not the result of a conscious process. Persuasion is more related to emotional than to rational things.

That's why persuasion should focus on benefits rather than just on repeated technical features and advantages, which can deliver only rational attributes to the audience.

The traditional tyre purchase process is a good example to highlight the differences in FAB. Obviously the online tyre purchase is "inhuman" and driven by factors such as price, brand awareness, etc. These factors go well beyond the boundaries of this paper, that's why we discover the traditional tyre purchase, i.e. when somebody goes for shopping tyres.

Today, in 2017, tyre is a commodity. Except for the very few tyre experts, the minority of people care about tyres. When customers need to change them, they go for shopping. Most probably they have already heard about some tyre brands. When this brand comes on top of all the others, marketers call this "top of mind brand awareness". When this brand is known, marketers call it "aided brand awareness".

So before we decide to purchase products or services, we have already some preconceived ideas. Tyre purchase related researches show that in the majority of the cases seller mentions price at first. The seller gives a list of brands in a given price range. Then he starts citing some technical features, such as tread depth, silica based rubber compound or European production. These features do not have any persuasive power. Then the seller mentions some advantages, which can be derived from the aforementioned features. For example longer mileage, thanks to a deeper tread, or better grip on wet roads thanks to the silica based tread rubber, or smooth claim treatment process thank to the European production.

Persuasion is rooted in emotions. Persuasion should deliver a message, which is in line with the desired rewards the customer is looking for. Features and advantages cannot persuade anybody. Benefits can. So a professional tyre seller should focus on benefits. In our example they should mention 1) less tyre related cost, thanks to higher mileage, 2) accident free drive even on wet roads thanks to improved grip and 3) no hassle thanks to a professional European after sales.

At multinational companies, by definition, there are many people coming from different cultural background. They represent different needs and they have different understanding about the same FABs. That's why the HR department should carefully choose the company's values. These values should promise some eternal and unequivocal benefits for the employees.

Furthermore HR is responsible for selecting people, who can live with company's values and deliver values desired by shareholders.

This HR selection process often is based on some segmentation studies. The same tendency can be observed in many other industries. E.g. in the marketing communication industry the marketers are fond of these studies. These researches divide the future employees, the potential customers, etc. into subgroups that each subgroup has a slightly different set of desired benefits. It means that the error is unfortunately widespread, because the processes of many companies are based on studies, which magnify minor differences in desired benefits and mask major similarities of among them.

As stated above, multinational companies are much better off with motivating rewards. In order to find these rewards, these companies should focus on similarities. If not, they would be lost in the battle of pleasing every employee with some individual rewards.

More rewards, less persuasion

Gromet, Kunreuther and Larrick studied, how the circumstances of a situation and the decisionmakers' values affect their final choice. (2013, pp 9314-9319) Their research demonstrate how promoting the environment can negatively affect of energy efficiency, because of the polarisation surrounding environmental issues.

They state that if leaders (politicians in their study) try to persuade two target groups having different desires, they should focus on the reward, which is most motivating to the total. If leaders should talk to both groups at once, they should forget, what is the most motivating factor to each group. They should not try to please both groups by citing their top motivating factors. In their research this common denominator was the message promoting environment. Additionally liberals wanted to save the environment and conservatives wanted to lower the government's spending on electricity. Indeed, if for example the second message of the liberals was added to the presentation, conservatives' purchase intention of energy saver bulbs was decreasing.

The main learning from this research is that when leaders talk about two different rewards in the same message they make themselves less persuasive. Adding a second reward will not create higher motivation. It will make people less motivated, because people do not add benefits. They average.

4. THE CHALLENGE OF CHANGE MANAGEMENT

In the previous chapter we saw how the change, the persuasion and the motivation are linked.

If the persuasion works well, the persuaded employee should change his or her behavior in order to receive the desired benefit. The employee goes through a change. In this process the employee learns the new modus operandi and picks up the needed habits to be successful and to deliver higher value than before the change. After a successful change, the employee's performance is higher than before.

Hay defines the change of competence curve as here below.

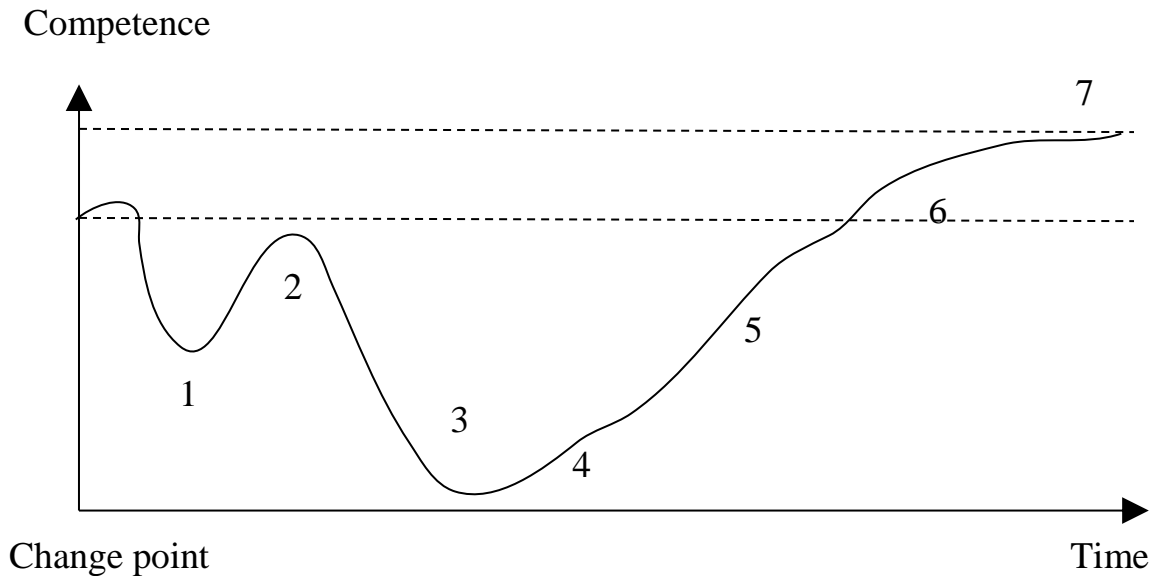


Figure 2: Hay's competence curve

Source: Hay (2009, p 159)

- | | |
|-------------------|----------------|
| 1. Immobilisation | 5. Development |
| 2. Denial | 6. Application |
| 3. Frustration | 7. Completion |
| 4. Acceptance | |

Right after the "Change point" the performance increases a little bit for a very short time. This is because employees want to show that "there is no need for any change here" so they start working harder with more attention in the old system.

Then there is a sudden drop of competence and the employees find themselves in an immobilisation stage. This is because the company started the change process at the Change Point, so employees, who refused the change, lost their time and now they can find themselves in a situation, when some of the employees work already with the new tools in the new modus operandi.

After this immobilisation, employees who deny the change start putting again even more efforts to show that in the old system everything was better.

The frustration follows the denial stage. In this stage employees, being incapable of understanding the wind of change, leave the organisation.

The employees who survive the frustration and stay with the company accept the need of change and start slowly improving their performance.

Then comes the development of their competence and their level of performance is already comparable with that of right before the change.

In the phase, which Hay calls application, employees already deliver higher competence than before the change. At the moment of completion the change management project achieved its objectives and the employees' competence is significantly higher than before the change.

What are the key learnings of change management, which this paper should mention?

First, leaders should bear in mind that after they have persuaded employees to change their behaviour, sometimes there is a long process to accept the change. And employees need even more time to achieve a competence level, which is higher than the one at the moment of starting the change process.

Second, organisation should give time to take the most out of the change process. If they implement changes too frequently, they result in a permanent loss of competence, instead of a steady improvement.

5. CONCLUSION

The process of persuasion can be embarrassing and unfamiliar to many people. In multinational companies the desired result of persuasion is motivation. So persuasion and motivation work together. Whilst persuasion is a one-shot event, motivation is always long-term. Persuasion changes behaviour and attitude, on the other hand motivation uses the momentum of this change and wants to conserve it till the end of the change management process. Because motivation is a much longer process than persuasion, leaders need to make persuaded employees identify themselves with the desired objectives and related actions. In order to achieve this identification, leaders need to motivate employees.

In many cases the company's goals and the employees' desires are not in line. For example, if an employee wants to receive a faster company car, his manager should not persuade him to focus on safety. As the motivation theories clearly indicate, the employee will not be satisfied. The manager should first find out the employee's unfulfilled desires. In this case, most probably the fun and the excitement would be the main drivers of the employee's request. Second the manager should link these desires with the company's reality and should explain that the vehicles defined in the company policy give a different and better pathway to excitement.

Why persuasion is so difficult? Because the presenter should be credible. To gain this credibility the audience should receive some personal information from the presenter. The personal touch is one of the cornerstones of persuasion in a multinational environment.

In the 21st century this so-called personal touch may seem obsolete and outdated. It is not. One can say that personal touch is old-fashioned, nevertheless that's exactly what makes it so powerful. Qualitative and quantitative analyses, connected devices have their limits. A human touch has not. The human-to-human interaction can go beyond the limits of researches and can directly talk to the audience's heart. Technical features and advantages can persuade customers, but they do not inspire them, they do not motivate them and obviously they do not create long-standing bonds.

In multinational companies the objective of persuasion is not self-aggrandizement, but to further develop the corporate culture, to motivate people or to persuade / buy-in stakeholders to finance future projects.

Motivational theories show that giving direction and intensity to people goes through motivation. It means that the persuader can achieve objectives, if he / she can persuade the audience 1) that the new behaviour will result in certain rewards, 2) that these rewards are worth the investment and 3) that the new objectives are realistic.

Finally, every organisation has its own founding story, containing lots of emotions and personal details. By sharing this story with the employees leaders can create emotional links between the company and employees. The corporate culture of multinational companies describes the mission statement and the vision of the company. They should focus on one message, in order to trigger the same behavior in every employee. Furthermore the mission statement and the vision define the attitude of these organisations towards their customers. They give a kind of *modus operandi* for the daily routine of the employees.

If the company's story successfully attracts the employees' brain, it will also capture their hearts. And their persuasion can be successfully turned into long-lasting motivation.

REFERENCES

- Alderfer, C. P. (1972). *Existence, relatedness and growth*. New York: Free Press.
- Broca, P. P. (1861). *Loss of Speech, Chronic Softening and Partial Destruction of the Left Anterior Lobe of the Brain*, Translation of: Perte de la parole, ramollissement chronique et destruction partielle du lobe antérieur gauche du cerveau. *Bulletins de la Société d'Anthropologie* 2:235-238
- Brown, D. E. (1991). *Human universals*. New York: McGraw-Hill, Inc.
- Brown, D. E. (1999). *Human nature and history*. *History and theory* 38 (4), pp 138-157.
- Brown, D. E. (2000). *Human universals and their implications*. In N. Roughley (ed.), *Being humans: Anthropological Universality and Particularity in Transdisciplinary Perspectives*. Ed. by Neil Roughley. Berlin: Walter de Gruyter, pp 156-174.
- Business dictionary (Businessdictionary.com) (2017).
<http://www.businessdictionary.com/definition/motivating-factors.html>
- Carnegie, D. (1936). *How to win friends and influence people*. New York: Simon and Schuster
- Csikszentmihalyi, M. (1975). *Beyond boredom and anxiety*. San Francisco, CA: Jossey-Bass
- Csikszentmihalyi, M. (2013) *Flow: The Psychology of Happiness*. London: Rider.
- Crimmins, J. C. (2016). *7 secret of persuasion*. Career Press, Wayne, NJ
- Elliot, A.J. and Covington, M.V.. *Approach and Avoidance Motivation*. *Educational Psychology Review*. 13 (2001): 2. pp 73–92
- Fryer, B (2003). *Storytelling that moves people*. Harvard Business Review
- Gardner, J (1991). *The art of fiction*. New York: Vintage books
- Gromet, D. M., Kunreuther H., Larrick R. P. (2013). *Political ideology affects energy-efficiency attitudes and choices*. *Proceedings of the National Academy of Sciences USA* 110. pp 9314-9319
- Hay, J. (2009). *Working it out at work*. Sherwood Publishing
- Heath, C. and Heath D. (2007). *Made to Stick: Why Some Ideas Survive and Others Die*. Random House
- Herzberg, F. (1966). *Work and the nature of man*. New York: Thomas Y. Crowell Co.
- Hidasi, Zs. (2006). *Travel diary in Nepal*. Private edition. ISBN 978-963-08-0014-3
- Hofstede, G. and Hofstede, G.J. (2005). *Cultures and organisations: Software of the mind, revised and expanded*. Second edition. New York: McGraw-Hill
- Jarvis, Jeff (2009). *What would Google do?*. First edition. New York: HarperCollins Publishers
- Lamb, N. (2008). *The art and craft of storytelling*. 1st ed., F+W Publications
- Lewis, D. Richard (2006). *When cultures collide: Leading across cultures*. Revised edition. Boston - London: Nicholas Brealey Publishing
- Maslow, A.H. (1987). *Motivation and Personality*. Harper and Row
- McKee, R. (2010). *Substance, structure, style and the principles of screenwriting*. Regan Books, Harper Collins Publishers

- Mehrabian, Albert; Wiener, Morton (1967). *Decoding of Inconsistent Communications*. Journal of Personality and Social Psychology. 6 (1): 109–114.
- Mehrabian, Albert; Ferris, Susan R. (1967). *Inference of Attitudes from Nonverbal Communication in Two Channels*. Journal of Consulting Psychology. 31 (3): 248–252.
- Mehrabian, Albert (2009). [*"Silent Messages" – A Wealth of Information About Nonverbal Communication \(Body Language\)*](#). Personality & Emotion Tests & Software: Psychological Books & Articles of Popular Interest. Los Angeles, CA: self-published. Retrieved April 6, 2010
- Monarth, H (2014). *Breakthrough communications*. McGraw Hill Education
- Monarth, H (2014). *The irresistible power of storytelling as a strategic business tool*. Harvard Business Review
- O'Donoghue, T. and Rabin M. (1999). *Doing it now or later*. The American Economic Review 89 No. 1, pp 103-124
- Pardee, R. L. (1990). *Motivation Theories of Maslow, Herzberg, McGregor & McClelland*. A Literature Review of Selected Theories Dealing with Job Satisfaction and Motivation.
- Patel S. (2015). *The Science Behind Motivation*. Forbes.com
<https://www.forbes.com/sites/sujanpatel/2015/01/09/the-science-behind-motivation/#63054d2649d9>
- Plous, S. (1993). *The psychology of judgement and decision making*. McGraw-Hill Education. pp 99-100
- Sherwood, L. (2004). *Human Physiology: From Cells to Systems*, 7th ed. (p.150), Belmont, CA: Brooks/Cole Cengage Learning.
- Stanton, A. (2012). *The clues to a great story*.
https://www.ted.com/talks/andrew_stanton_the_clues_to_a_great_story#t-1072180
- Takács, A. (2017). *Research on listening habits in multinational organisations*.
 Thelawdictionary.org (2017). <http://thelawdictionary.org/motivating-factors/>
- Wikipedia. (2017). *Broca's area*. https://en.wikipedia.org/wiki/Broca%27s_area
- Wikiquote. (2017). https://en.wikiquote.org/wiki/Maya_Angelou
- Zak, P. J. (2017). *Trust factor: The science of creating high-performance companies*. Amacom
- Zak, P. J (2014). *Why your brain loves good storytelling*. Harvard Business Review October 28, 2014
- Zak, P. J. (2013): *How Stories Change the Brain*. Greater Good Magazine, December 17, 2013.
https://greatergood.berkeley.edu/article/item/how_stories_change_brain
- Zak, P. J (2011) https://www.ted.com/talks/paul_zak_trust_morality_and_oxytocin#t-323128