

An Introduction to the Thematic Issue

The aim of this thematic issue of Theory, Methodology, Practice is to provide a topical look at current challenges of the economies and firms from the region of Central and Eastern Europe (CEE). Its economies and firms have undergone significant changes since the 1990s. Internationalisation has been both one of the key drivers of this process, and a symptom thereof. A wave of privatisation opportunities, as well as large consumer markets with comparative cost advantages have attracted multinational enterprises (MNEs) to the region. However, also the region itself has been a source of a new breed of multinationals. While the transition process in itself has gradually been losing on interest amongst CEE-related international business studies, there is still significant economic diversity among CEE economies and firms which allows exploring the specificity of the region's emerging firms and their motives and strategies, as well as the importance of the region from the perspective of MNEs defining their regional value chains.

The present issue is a collection of contributions submitted to the international conference focused around international business in the CEE region entitled "Boosting the competitiveness of Central and Eastern Europe: towards digitalization and a knowledge-based economy", organised by the CEE Chapter of the Academy of International Business (AIB-CEE) in Prague on 29.9-1.10.2016. The papers belong to two overall categories. The first one revolves around an overall, macroeconomic analysis with a focus on Central and Eastern European economies in order to determine the challenges and success factors of the long-term growth of CEE economies in a global economy. Secondly, the papers descend to the microeconomic level in order to raise the challenges of firm operations in the international economy, particularly paying attention to the frequently overlooked aspects of firm withdrawal from foreign markets, as well as performance measurement.

The first contribution to the issue entitled "To what extent is Hungary a knowledge-based economy?" is authored by György Boda. The author argues that while we can generally see a decline of the share of industry in value creation, parallel to this trend the Visegrad countries are taking up more industrial production. This will reduce the requirements for innovative knowledge workers. This "over-industrialisation" has led to a dual economy, in which domestic companies compete by utilising the comparative advantages of a cheaper labour force. In fact, products whose comparative advantages do not decrease as the development gap narrows are needed for sustainable economic development. If we continue to hinder the development of non-material services this way, then by decreasing innovative capacities we shall get deeper into the trap of dependent market economies.

The subsequent paper by Natalia Ribberink, Mirosław Jarosiński and Ireneusz Janiuk, "Internationalisation of Polish and German Furniture Manufacturers – Comparison of Different Internationalisation Paths" brings the readers to the level of firm decisions, particularly those related to international expansion. The papers aims to analyse the key drivers for internationalisation in furniture industry by taking into consideration the cross-border activities of selected furniture manufacturers in Poland and Germany in comparison. The results show some similarities in internationalisation strategy design of selected furniture manufacturers in both countries. Export tends to be the predominant foreign market entry mode, and major motives to internationalise tend to have a reactive nature. There are some differences with regard to manufacturing location decisions, whereby the general assumption is confirmed that certain manufacturers are in a more advantageous position by concentrating their production at home.

The third paper by Miklós Stocker is entitled "De-internationalisation patterns in Hungary" makes a rare contribution to extant research on international business by showing the downside of internationalisation. In fact, the debate on firm internationalisation has predominantly focused on expansion. This paper focuses on de-internationalisation, its different modes and patterns followed by companies in the Hungarian context. Three hypotheses are tested: that de-internationalisation is a mass phenomenon, after de-internationalisation most companies are terminated, and de-internationalisation does not mean the end of international exposure. To test these hypotheses the Hungarian Corporate

Tax Database was used with which the whole population of Hungarian companies in the years from 2009 to 2014 was analysed. De-internationalisation is uncovered in this paper with different patterns followed by companies in the Hungarian context.

Finally, in light of the challenges discussed in the previous contributions, it becomes the more so important to discuss the objectives that companies should define for themselves and how they can plausibly measure them. Miklós Kozma and Annamaria Kazai Ónodi in their paper "Challenges in measuring international strategic performance in professional team sports – two case studies from Hungary" analyse the key strategic challenges in measuring performance of professional sports clubs in international context by using the case study methodology. The analysis of the examined handball and football clubs reveals that domestic success is a weak indicator of international success. Also, the occasional surge in international revenues is challenging to translate into a sustainable flow of revenues. Moreover, through a strategically driven process the social benefits of clubs services can become relevant to international markets. The authors argue that the findings from the professional sports sector can be transferable to other business fields in terms of the complex relationships between the analysed performance drivers.

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