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Economic Interests, Company Values and Local Institutions: Shaping Soft Work Practices in a Multinational's Subsidiaries in Western and Central Eastern Europe**

Abstract – How can we understand similarities and differences between work practices in multinational companies' (MNCs) subsidiaries in different host country conditions? The paper addresses this question by studying selected soft work practices, namely work systems and fringe benefits, in a Dutch MNC and its subsidiaries in Western and in Central Eastern Europe. Acknowledging institutional variation across the studied host countries, the paper explores how the MNC's economic interest and company values interact with host-country institutions in shaping subsidiary work practices. It is argued that the MNC's rational behaviour is contextualized in local socio-institutional conditions, as well as it is informed by company values. Interaction between the profit interest, values and institutions yields subsidiary work practices that are neither fully standardized across the subsidiaries, nor extensively adapted to local work standards. Instead, soft work practices are embedded in, but only selectively adapted to, host-country standards.

Wirtschaftliche Interessen, Unternehmenswerte und lokale Institutionen: „Soft work practices“ in ost- und westeuropäischen Tochtergesellschaften eines Multinationalen Unternehmens

Zusammenfassung – Der Artikel analysiert die Unterschiede und Gemeinsamkeiten in „soft work practices“, d.h. Arbeitssystemen und freiwillig gewährten Nebenleistungen in vier europäischen Tochtergesellschaften eines niederländischen Unternehmens. Es wird gezeigt, wie die wirtschaftlichen Interessen des Unternehmens und die in ihm vorherrschenden Werte mit den institutionellen Unterschieden an den einzelnen Standorten interagieren. Das Zusammenwirken dieser Faktoren führt zu der Herausbildung von Arbeitssystemen und Nebenleistungen, die weder vollständig standardisiert sind noch ausschließlich lokale Standards widerspiegeln, sondern selektiv in die Standards der Gastländer eingebettet sind.

Key words: **multinationals, soft work practices, work systems, company values, Central and Eastern Europe**

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