Dissertation
Submitted in fulfilment of the award of MSc. in Management
(Public edition)

Top management Competencies
- An investigation into the top 100 private and public companies in the Faroes.

Author:
Petur Petersen
(Student no. 0211340)

Supervisor:
Dave Mackintosh

Robert Gordon University, Aberdeen
Aberdeen Business School
26th April 2006

Table of contents

Figures and Graphs

Table

Acknowledgments

I would like to thank all 94 managers that I got in touch with for being so obliging. It was a pleasure to present my study to them and to receive so much positive feedback. Everyone was so understanding and willing to take part. In addition I got into interesting conversations and discussions with many managers about this subject.

Furthermore, I want to thank the Faroese Employers' Association for showing their interest in this study and with their encouraging letter, which was sent to the entire sample. This support has undoubtedly contributed to a higher response rate than normal.

Thanks to those who were willing to participate in the pilot test. Their comments and advice were most valuable for a good questionnaire and a successful reply rate.

During the studying process I have discovered that there is great interest for this subject. I have already been informed that others have started to follow up this research with studies on private sector managers using the same sample as in this study. These studies cover relationships between managers and their board of directors.

Thanks to family, colleagues and friends for their patience with me during my work with my dissertation.

1 Introduction

Research into competencies which in this study is the underlying attributes of a manager, started mainly in the USA, followed by the UK and later the interest for this topic spread to the rest of Europe. In the Scandinavian countries research has been carried out on this subject in recent years. In the Faroe Islands not much attention has been paid to this theme until recently when the government introduced "Vision 2015". Vision 2015 is a strategy which involves the Faroe Islands being among the foremost countries in the world to live in (wealth, competitive power etc) (Føroya Landsstýri, 2005). This vision includes e.g. globalisation, privatisation, research and innovation, entrepreneurship, information and communication technology, which are all connected to the business community. This has turned focus to Faroese management skills and whether they have the necessary capability live up to this vision especially in view of the challenge from globalisation.

Management competencies is a subject that is important for the Faroe Islands, however not much knowledge is on this topic as there is practically no research in this area as far as Faroese managers concern.

Do Faroe Islands have a Faroese approach to management that differs from other countries? One could assume it to be likely since it must build on Faroese traditions and Faroese history, as culture has great influence on how people behave. "Faroese management" is influenced by political, economical and social contexts. In other countries, e.g. Denmark they regularly "feel the pulse", so to speak, of Danish management (Hildebrandt, 2002). One example of this is a new follow-up report conducted in 2005 with the future outlook for Danish management (Hildebrandt, 2005a) compared with earlier studies. This investigation covers more than 1,000 managers in Denmark and makes comparisons with two former studies published in 2000 and 2002 (Lederne, 2005).

It would be interesting to see how Faroese culture has influenced management and the way to manage. Interestingly, the "industrial revolution" did not start until late 1950s in the Faroes, when the first fillet factory was established on the islands. Before that – up to 1856 – farming was the only way of life. After 1856 – when the royal Danish monopoly on trade was cancelled – fishing vessels started to become a part of the Faroese industry. As a legacy from this period and even nowadays captains of fishery vessels are considered to be the real managers. This is due to the fact that they are able to catch fish and onboard there is a strong

hierarchy where the captain holds strong power. Furthermore, their management style is very authoritarian. To many Faroese people this is an example of appropriate management. However, this approach to managing people does not suit with theories about successful leadership.

Another interesting element of management culture in the Faroes is that practically all Faroese people with higher education have gained their education in Denmark (Føroya Landsstýri, 1999). In Denmark there are other management traditions, which are more focused on management and leadership. Does the Faroese perception of appropriate management (i.e. authoritarian) and the fact that most managers have a Danish educational background have an influence on Faroese management style?

The consequence of this complex management background is likely to have some advantages and disadvantages. This study will therefore, explore the managerial style of those in executive posts in the Faroe Islands.

The literature on management competencies is a wide area and it has been more actualized in recent years. This can especially be attributed to globalisation, which has put strong pressure on management skills. Therefore, management competences have been put firmly on the research agenda. Some managers use the advantages that globalisation offers with great success and others are not able to handle this situation. The interesting question is what makes some managers successful while others fail.

In 2004 foreign investors started to buy companies in the Faroe Islands and this has continued. In September last year the Faroe Islands signed a free trade agreement with Iceland (Brend, 2005). Therefore, it is clear that the Faroe Islands find themselves in the middle of globalisation. New owners, professional boards of directors and greater demand for faster and higher profit are some of the features of the manager's new agenda. The pressure on Faroese managers has started and will increase in the near future. The question is: Are the Faroese managers ready to meet this new and extensive challenge?

Management is a subject that all people have a vested interest in because all, both people, organizations and societies, want to be well managed. A lot of effort has been put in ways of achieving world-class status. Apprehensive for losing this position, emphasis has been put on leadership competencies (McLagan, 1997).

This pressure will force managers to acquire new skills so they are able to handle the new situation. This is likely to put even more pressure on Faroese managers as they have only recently been so strongly affected by the strong competition from globalisation. It is only recently that globalisation has its entry into the Faroe Islands.

According to Horton (2000) the real competition in the business world is the competition over competencies. Further, Horton states that the latest thinking on competencies in the USA is that a company's ability to learn and acquire new capabilities and competencies may be a more important determinant of its competitive position than its current endowment of unique resources or the industry structure it currently faces. This is a challenge for Faroese managers, since they have to develop their competencies together with the necessary competencies their organization has to possess to ensure that they survive in the strong competition.

This is the situation Faroese managers find themselves in. The question is whether they are prepared to take up the competition the organizations are facing. Furthermore, will Faroese managers have the right competencies to survive as managers as boards of directors become more professional and new owners take over?

1.1 Aims and objectives

The aim of the dissertation is to examine the competencies of top managers in the Faroe Islands. The objectives are:

1) To identify the challenges top managers in the Faroe Islands face to day
2) To identify the challenges top managers face in the future
3) To clarify which content is most important in the top manager's job in the Faroe Islands
4) To determine which management form is most common regarding managerial styles, the manager's power base and which management tools are most used
5) To make comparisons between other countries identifying similarities and dissimilarities

The aims and objectives will be answered through questionnaires to 100 top managers, from the largest organisations in the Faroese in 2004 (private) and 2005 (public), with questions inside these five areas.

1.2 Main research questions

The main research question is: What are top management competencies in the Faroe Islands? To make the research more specific and narrowly focused the main research questions will focus on these areas:

- **management challenge** (most important challenges managers expect to face in the years to come)
- **the management job** (covers tasks, time spent on tasks and activities, factors that give penetration in the management position and personal factors and abilities in the management job) and
- **the management form** (which management styles are most common)

These three main areas will be narrowed down further to these research questions:

- What are the main challenges top managers face today
- What are the main challenges for management in years to come (e.g. 2 – 3 years)?
- Which are the most important management tasks for managers today?
- What are the main competencies a manager must have to solve tasks satisfactorily?
- What is the managerial style, the manager's power base and which management tools are in use?

To put the situation in perspective the Faroe Islands management competencies will be compared with those in Denmark through new research published in Denmark in September last year (Lederne, 2005). Comparisons will be made where possible providing at least an indication of Faroese management culture.

1.3 Introduction to competencies

The concept of competency originated in the United States. It was followed by the separate development in the UK of the competence concept (Armstrong, 2003). The US approach was made by McClelland in 1973. He advocated for the use of criterion referenced assessment. Criterion referencing or validation is the process of analysing the key aspects of behaviour that contributes to effective and less effective performance (Armstrong, 2003).

The person who did most to popularize the concept of competency was Boyatzis, with his book "The competent Manager". Boyatzis defines competency as "A capacity that exists in a person that leads to behaviour that meets the job demands within the parameters of the organizational environment and that, in turn, brings about desired results." (Boyatzis, 1982).

In other words Boyatzis put forward a person's behaviour, that is crucial regarding managers´ competencies, especially when this is compared to modern management.

1.3.1 Definition of competencies.

According to Armstrong (2003) the terms "competency" and "competence" are often used interchangeably, which can cause confusion. However, they can be differentiated as in the following:

- Woodruffe (1991) says about competency or competencies: "Competency is a person-based concept which refers to the dimensions of behaviour lying behind competent performance." Competencies are behavioural characteristics. They are sometimes known as "soft skills" or leadership oriented.
- Woodruffe (1990) defines competence as "A work-related concept which refers to areas of work at which the person is competent." Competent people at work are those who meet their performance expectations. Competences describe the things they have to be able to do to perform effectively. These are often described as "hard skills" or management oriented.

According to Armstrong (2003) the distinction between competency and competence made above is quite clear cut, but what has evolved over the years is the use of the term "competency" to embrace the concepts of both soft and hard skills. This development, as Woodruffe (1991) points out, can result in a minefield of misunderstandings and complications. The solution to this problem offered by Miller et al. (2001) is to distinguish between behavioural competencies (soft skills) – how people are expected to behave in order to perform their work well – and technical or functional competencies (hard skills) – what people are expected to know and be able to do to perform their work well.

Competency and competence are often used indiscriminately without paying attention to any difference. According to Whiddett & Hollyforde (1999, p. 5) a general convention has developed, although not always followed, which uses "competence" and "competency" in the following way:

- An ability based on work tasks or job outputs tends to be referred to as a *"competence"* and
- An ability based on behaviour tends to be referred to as a *"competency"*

1.3.2 Why organizations use competencies

According to Miller et al. (2001) the two prime reasons for organizations to use competencies are:

1) that the application of competencies to appraisal, training and other personnel processes will help to increase the performance of employees

2) that competencies provide a means of articulating corporate values and objectives, so that their requirements can be embodied in HR practices, and be readily understood by individuals and teams within the organization

Other reasons include the use of competencies as a means of achieving cultural change and of raising skill levels.

Competence alone can not give the necessary qualification for success – but used in connection with other good management practice, are vital ingredients in producing the performance leverage organizations now require to gain competitive advantage (Whiddett & Hollyforde, 1999).

In every organization people use their competence, but making more aware or conscious of competencies and make competencies a part of the management style is what makes the difference.

1.4 Background to population sample

The author has been working with management issues since early nineties. In my present job position much management recruitment takes place. However, it would appear that the recruitment area is too little and the interest for management positions is low especially in the public sector. In the private sector most companies have been family businesses. However, within the past few years many investors and investment companies have started investing in private enterprises and buying up, merging etc., domestically and abroad. This is occurring at such a high speed never seen before in the Faroe Islands. In this context the boards of directors have started to become more professional and thereby increasing the demand for professional managers. Furthermore, as previously mentioned, the government has taken action in 2005 through Vision 2015 (Føroya Landsstýri, 2006a). This has already increased the demand for professional managers and regular recruitment advertising in the newspapers is evidence of this.

This thesis will study Faroese managers to reveal what the situation is among Faroese managers and how they are compared with managers in other countries. The reason for this is that there has practically not been conducted any research in this area. There is a lot of guessing concerning Faroese management. This study will attempt to contribute to knowledge in this area. Furthermore, it would be beneficial for the society if others would follow and continue research in this area.

1.5 Theory and studies

Through a review of the literature the most relevant theory has been identified and discussed. But this has not been sufficient related to the research questions. Therefore, relevant studies were found, that have an adequate degree of details. These were then compared with the findings of this study. One of these is a study conducted in Denmark in 2005 by The Danish Association of Managers and Executives and Aarhus School of Business in Denmark. The vision of this study, which was conducted in 2000 repeated in 2002 and in 2005, is to provide Denmark the most important knowledge base concerning managers and management. These studies are research-based and supervised by Steen Hildebrandt, professor in management at Aarhus School of Business. The Danish study was conducted among 1,000 managers – senior, mid-level and junior managers – both in the private and public sector. Even though this study is restricted to senior managers and the Danish study covers lower management levels there should not be difficulties comparing results from both studies, as organizations in Denmark are much larger than in the Faroes. The Danish study will be used through the literature review as one of more studies that can be related to research questions.

1.6 Methodology

The research covers nearly 100 top managers in the Faroe Islands and the nature of the research questions are of such character together with the necessity of making the study anonymity quantitative research was meant to be the method that was best suited to the purpose. Furthermore, it is difficult to conduct a study like this without anonymity guarantied, because top managers would not participate since they have to reveal matters that they consider as being sensitive. The sampling strategy is purposive sampling as the target group is specific (managing directors), since it is only these individuals who can provide the desired information. The type of purposive sampling is judgement sampling, which is used when a limited number or category of people have the information that is sought.

The data collection method is questionnaires designed according to the research questions. All questions are closed questions with a number of predefined factors to measure respondent attitude. The sample was carefully selected covering private and public companies. The response rate achieved was high.

1.7 Limitations

There were some limitations to the study. These are mainly:

- Too few female respondents (only five), however the number of women in all (in the sample) was only seven. Consequently it was not possible to examine differences between male and female, which would have been desirable, since difference normally occurs between genders in such study.
- The study is not segmented into demographic distribution. To ensure anonymity this was necessary however, it prevented options to identify demographic differences.

1.8 Outline of chapters

Chapter 2 highlights the most relevant literature in the field. The concept of competencies is defined as well as competencies are accessed in relation to the public sector. Furthermore, the background to competencies is discussed. This is followed by an examination of the literature connected to each research area together with relevant studies conducted in Denmark, Scandinavia and around the world. Lastly a conclusion is made.

Chapter 3 provides information pertaining to the methodology. The research method is justified and discussed and the sampling explained. An explanation of the questionnaire design is presented and a discussion of the types of questions and layout and structure as well. The sample procedure is discussed in great detail along with some indication of how a high response rate was achieved. Information is provided on participants divided into sector and in addition into business sectors. Research access is discussed as well as how questionnaire problems and coding are solved.

Chapter 4 discusses the findings. Firstly a profile is made of the respondent by gender, age, education and size of organization. Secondly findings for each research area is analysed and presented. Thirdly a discussion is provided of the most interesting findings and these are then compared with studies in other countries. The chapter ends with a conclusion.

Chapter 5 brings the dissertation to a conclusion and discusses the implications of the study.

2 Literature review

This chapter highlights the definition of competencies, discuss competencies in the public sector and explain short the background to competencies. Furthermore the review of literature is divided into sections structured suited to each research questions. The chapter ends with a conclusion.

2.1 Introduction

The purpose of this chapter is to define the concept competencies and take a short look at the background to competencies. The most relevant literature is found concerning the research questions starting with which management tasks managers find to be the most important. Since are the main competencies a manager must have to solve tasks satisfactorily found through studies. Most common managerial style is followed by examining closely studies conducted in Scandinavia, ranking list over most competitive countries in the World and studies in Denmark. Subsequently the manager's powerbase are investigated through a study in Denmark. Afterwards the most common management tools are discussed through a Danish study conducted in 2005 looking at both the private and public sector and by experience from other countries too. Finally is the main challenge manager's face in years to come investigated by looking at the Danish study and a new study in Denmark among experts about the challenges managers face in 10 years.

2.1.1 Definition of competencies

When conducting a literature research on competencies there is found a lot of literature, but it is not easy to come to a clear understanding since the topic is covered in so many directions and definition depends on the purpose.

According to Whiddett & Hollyforde (1999) there are a bewildering number of definitions of "competency". The majority of these definitions are simply variations on two themes which have different origins. These two themes are:

- *Description of work tasks or job outputs* – These have their origins in national training schemes. One is the Management Charter Initiative (MCI). The MCI definition of competence is "*the ability of a manager to perform to the standards required in employment*". Whiddett & Hollyforde (1999, p. 3)
- *Descriptions of behaviour* – These have evolved from the work of researchers and consultants specialising in managerial effectiveness. Many definitions of behavioural

competency are variations on the following definition, which Klemp in Whiddett & Hollyforde (1999) made in 1980: a job competency is "*an underlying characteristic of a person which results in effective and/or superior performance in a job.*" Variations typically develop on what the characteristics may be – as, for example, in this much-quoted definition by Boyatzis (1982): "*A job competency is an underlying characteristic of a person in that it may be a motive, a trait, a skill, an aspect of one's self-image or social role, or a body of knowledge which he or she uses.*"

Since the purpose of this dissertation is top management competencies and the most relevant part is the description of behaviour, which among others covers managerial effectiveness, there will be focused narrowly in this area. The above mentioned definitions indicate that a competency is made up of many things (motives, traits, skills, etc.) yet, we usually only see evidence of these in the way somebody behaves. For example, interpersonal skills are manifested in how effectively a person negotiates, influences and works in a team. Behavioural competencies, which are those that are most relevant for this study, describe typical behaviours observed when effective or superior performers apply motives, traits, skills, etc. to job-relevant tasks to produce job-relevant outcomes.

When dealing with competencies it is important to make clear to which purpose it is for and whom it concerns. Draganidis and Mentzas (2006) refer to twelve current overall definitions of the competency concept. Based on the analysis of the existing definitions and their further study it was concluded that competencies can be defined as: "*A competency is a combination of tacit and explicit knowledge, behaviour and skills that gives someone the potential for effectiveness in task performance.*" (p. 53). This is still a too broad a definition for the purpose of this study. Others have tried to narrow this subject further and one of these is Hoffmann.

According to Hoffmann (1999, p. 275) "*the term ″competency″ has not been clearly defined in the literature. Two main meanings of the term have been identified, one referring to the outputs, or results of training – that is competent performance. The other definition referring to the inputs, or underlying attributes, required of a person to achieve competent performance. A typology of the meanings of competency has been developed to show that the term has several meanings depending on the purpose for which it is used.*" Hoffmann narrows competencies more and connects the definition to the purpose.

Hoffmann (1999) states further, that a review through the literature shows three main positions taken toward a definition of competencies. These are defined as either:

1) Observable performance
2) The standard or quality of the outcome of the person's performance or
3) The underlying attributes of a person

The two first mentioned are based on the output of individuals whereas the third is as Hoffmann states: "*referred to the underlying attributes of a person such as their knowledge, skills or abilities. The use of this definition created a focus on the required inputs of individuals in order for them to produce competent performance.*" (p. 276). This definition is related to more complex jobs, such as a senior management, where it is difficult to describe outputs. Therefore, focus is turned to inputs. The position as top manager may require a set of underlying knowledge and skills rather than a set of prescribed behaviours (Hoffmann, 1999). Above definition of competencies is in agreement with Boyatzis (1982).

As this study is aimed at the senior management level (CEO) the author will focus on the definition that covers this particular area. This is the definition that covers the underlying attributes of a person (no. 3 above). Senior management competencies are complex to measure, therefore, the best approach is an input-based approach to achieve competent performance.

According to Yang et al. (2006) the competency and competence almost connote identical meaning with the only trivial difference that competence was mostly used in the organizational level and competency was used in the individual level. In their paper they "*... use both them interchangeably.*"

Despite that there is a lack of a clear definition on competencies for this purpose of the thesis, the author will refer to the one that covers the underlying attributes of a person.

2.1.1.1 Competencies in the Public administration

Competencies have most been used in connection with the private business. But in reason focus has been on public sectors too. While managerial functions may be generic across private and public sectors, but the context managers operate within are unique, since conditions in private and public sectors are different. Noordegraf (2000) and Virtanen (2000) address this question: what competencies do public managers need to be able to operate efficiently and effectively within their public/political contexts? Noordegraf (2000) concludes in his ethnographic study of 12 public managers, that competent public managers are

"professional sense-makers" who know how to perceive political cues, stimuli and triggers and to relate them to new or existing issues (interpretive competencies) and how to initiate and manage issues (institutional competencies) and how to bring issues and policies ahead (textual competencies). In other words public managers have to be good to see what the public or political agenda is and instantly take action according what an ever-changing agenda is.

Just as in private business, changes occur all the time. This has also come to the public sector especially through "*The New Public Management*"[1] (Barzelay, 2001), which has changed the expected value qualifications of public managers and caused tensions in their commitments (Virtanen, 2000). Virtanen (2000) argues that the key to public manager's effectiveness is the value competencies or commitments. Virtanen (2000) constructs his own framework of five competence areas for public managers:

1) Task competence
2) professional competence in subject area
3) professional competence in administration
4) political competence and
5) ethical competence

Most of these competencies are the same as a manager in the private sector must posses to cope with the daily business. The difference is that in the private business it is the market and board of directors that set the manager's agenda whereas, as mentioned above, it is the public and the politician that make the agenda for the manager in the public sector. New Public Management has made its influence and according to Virtanen (2000) after comparing the morality implicit in New Public Management (NPM) with that under-pinning the public services welfare states Virtanen concludes that NPM has challenged the traditional value competencies of public managers and created tensions in their commitments to the public service. In other words public managers have been more committed to their job in a way as their counterpart in the private sector.

Having analysed five special issues of the Journal about competencies in the public service Horton (2000) concluded *"… that competency-based management is growing in importance as an approach to managing people within public organisations but that there is still no agreement on what specific competencies are required of public managers beyond those*

---

[1] New Public Management represents an approach in public administration that employs knowledge and experiences acquired in business management and other disciplines to improve efficiency, effectiveness, and general performance of public services in modern bureaucracies.

required of all managers who are faced with achieving an organisation's goal and objectives with the most efficient and effective use of available resources." (p. 316). That is to say that public management and management in the private business are getting more and more similar. There is no reason to treat managers from these two sectors so differently. In this study private and public managers will be measured in the same way.

2.1.2 The background to competencies

According to Horton (2000) the competency movement has – just like most movements – no single origin. The concept of competence can be traced back to the medieval guilds. The industrial revolution gave rise to the study of work and jobs and the skills needed to do those jobs. With the appearance of scientific management and in the 1930s the human relations school of management thought, academic and practitioner interest became focused on both how to organize work and how to motivate workers. The concept of "competency" was first introduced 1957 (Yang et al., 2006). In the 1970s the need to improve economic competitiveness led to attention being turned towards competencies (Horton, 2000). Furthermore, in 1973 McClelland used the term "competency" to illustrate the major key factor to affect individual learning (Yang et al., 2006)

The concept of competency originated in the United States. It was followed by the separate development in the UK of the concept of competence (Armstrong, 2003). The US approach was made by McClelland in 1973. He advocated the use of criterion referenced assessment. Criterion referencing or validation is the process of analysing the key aspects of behaviour that differentiate between effective and less effective performance (Armstrong, 2003). Although the competency movement originated in the US and UK, it is now an international phenomenon and is practised increasingly throughout the OECD countries and beyond (Horton, 2000).

The person who did most to popularize the concept of competency in general was Boyatzis, which he did in 1982 with his book "The Competent Manager". Subsequently, many researchers and scientist followed, as can be seen above.

2.2 Important management tasks for managers today

The world has changed and there are different competitive conditions provoked by new technology, globalisation and capital markets which operate with much greater effectiveness

than formerly. The new reality is continuous changing (Rachlin, 2002). Therefore, the agenda is ever changing to managers as tasks must fit to the circumstances both the manager and the company find themselves in. In the following recent studies of important management tasks are presented.

In a newly published study in Denmark (Hildebrandt, 2005a), where 1,081 Danish managers, both from private and public sector participated, the 10 most important management tasks were found to be:

1	Motivation of others	83 %
2	Planning	83 %
3	Staff satisfaction	78 %
4	Development of staff members	71 %
5	Delegate	70 %
6	Co-ordinate	69 %
7	Communicate values/attitudes	69 %
8	Goal and results monitory	64 %
9	Guidance/coaching	64 %
10	Information processing	62 %

Table 1. The ten most important management tasks

Source: Hildebrandt (2005a)

Remarks: Management tasks that managers ascribe as having great importance/very great importance.

From the above mentioned tasks (see table 1 above) it is obvious that HRM-related tasks are of greatest importance for managers in Danish organizations. Motivation of others (1), staff satisfaction (3) and development of staff members (4), are three of the four most important tasks. Furthermore, traditional management tasks such as planning (2), delegating (5), co-ordinating (6) and goal and results monitoring (8) are ranked highly. This tells that Danish managers use HRM to stand up to the challenges, since employees are a crucial factor in an ever changing environment.

In another study Egbu (1999) found that the six most important types of management skills and knowledge are:

- Leadership,
- Communication (oral/written),
- Motivation of others,
- Health and safety,
- Decision making and
- Forecasting and planning.

These above mentioned findings are results of a study of thirty-two large refurbishment organizations with regional offices spread throughout England. 142 persons took part in the study (senior, mid-level and junior managers). It is evident from Egbu´s that a certain degree of overlap is between Egbu´s and Hildebrandt´s study (see table 1 above). For instance "motivation of others" and "planning" are precise the same. Furthermore, in Egbu´s results leadership is mentioned. Leadership covers the "soft" part whereas management covers the "hard" part, such as structure and systems. Leadership is considered to be the personal qualities, behaviours, styles and decisions adopted by the leader (Arnold et al, 1998) and the soft part is the four S: Shared values, Style, Staff and Skills (Cheetham, 2003). In all likelihood leadership in Egbu´s study covers issues as in the study of Hildebrandt (see table 1 above) such as "staff satisfaction (no. 3)", "development of staff members (no. 4)" and "communicate values/attitudes (no. 7)". Despite the fact that Egbu´s study is in the refurbishment business in England conducted in early 1990s and Hildebrandt´s study conducted in Denmark in 2005 covering all private and public organizations several similarities are in both studies.

It can be concluded in general to the above mentioned studies it is evident that the most important management tasks today are indicated to be more leadership oriented/focused. Despite the differences in two different studies, as those above, the similarities are remarkable. This shows how highly valued management behaviour or leadership is among managers. Most management tasks are the same whether conducted in England or in Denmark 10 – 15 years later. Some tasks might change over time such as a shift from management to more leadership oriented way of managing. However this can also be influenced by the specific circumstances of the organization, e.g. the economic and/or competitive situation.

2.3 Main competencies a manager must have to solve tasks satisfactorily

In recent years internationalisation, globalisation and political development have had great importance for conditions and limitation for both the private and public sector. As a result the pressure has increased on managers. Furthermore, the difference between successful and unsuccessful managers has become more apparent. It has become increasingly common to connect inborn personal characters and real behaviour with manager's personality and managerial results (Hildebrandt, 2005a).

From the Danish study in 2005 (Hildebrandt, 2005a) the 10 most important personal factors and abilities, according to the managers, were (see table 2 below):

1	Credibility	96 %
2	Responsibility	92 %
3	Interpersonal skills	91 %
4	Resolute	83 %
5	Energy	82 %
6	Independence	80 %
7	Confidence in others	79 %
8	Will	77 %
9	High stress tolerance	76 %
10	Self-confidence	75 %

Table 2. The ten most important personal factors and abilities

Source: Hildebrandt (2005a)

Remarks: Factors and abilities that managers ascribe as having great importance/very great importance.

As can be seen from the above mentioned factors (see table 2 above) "credibility", "responsibility" and "interpersonal skills" clearly get the highest score. These factors and abilities are obviously connected with the manager's behavioural competencies.

In a study in Denmark where 1,362 highly educated managers participated Hildebrand et al. (2003) concluded that managing and motivating employees is much more about the manager's attitudes to people than having the right management tools available. Further, this study shows that personal qualities are important skills for a manager to possess. Credibility is a crucial ingredient of good management and there must be agreement between word and action (Ibid). In another study in Denmark (Keiding, 2002), where 506 employees took part four in ten have changed employment in the last ten years due to bad management. The employees prefer broadly read managers that rather listen than decide (Ibid). Furthermore, this study found that a manager must possess interpersonal skills that make the manager and the management attractive for the employees.

In conclusion behavioural competencies are important skills a manager must possess. Research in this area shows the importance of these skills. They are important not only for the manager but the entire organization. Managers who do not possess the attitudes will not be able to achieve sufficient motivation among employees leading to reduced satisfaction and productivity. Furthermore, the manager is at risk of losing staff members.

2.4 Managerial style

Change is a crucial factor for all managers. One of the most important elements is the change in managerial style throughout the organization (Bogorya, 1988). Bororya (p. 10) states that

"*at senior management/executive level the corporate culture and leaderships styles shift and create new norms of behaviour and new standards of performance.*" Which managerial style a manager chooses is normally depending on both the context conditions and limits and personal preferences.

A recent study by Rambøll (2004) among 3,700 companies from Denmark, Finland, Norway and Sweden found that there is a clear coherence between the company's modernization rate and its economic performance. From the 1,000 participating Danish companies the study showed that:

- The "traditional" companies on average earn 2.45% per invested krone (DKK) whereas
- The "modern" companies on average earn 6.4% per invested krone (DKK)
- 29% of "traditional" companies are running with a deficit whereas only
- 16% the "modern" companies are running with a deficit

In total one third of the participating companies were "modern" companies whereas two thirds were "traditional" companies.

From the study by Rambøll (2004) a "modern" company has the following characteristic compared to a "traditional" company (see table 3 below).

Definition of a modern company	Other characteristics of the modern company identified by the research[2]
- Delegated responsibility - Responsibility on own initiative - Informal manners - Non hierarchical organization - Project organizing - Management through values - Active professional board of directors - Changes/adjustments do not give problems - Fast decisions - Investment in competence development	- Uses only in lesser extent and lesser than traditional companies flexible staff - Young management - Follows carefully the employee's results - Fast development of the company - Far ahead using newest technology - Advantages by being first movers - Niche based - Flexible products/services - Complicated products/services - Experience to have staff with the right competences

Table 3. Characteristics of a modern company.

Source: Rambøll (2004)

From table 3 above it is obvious that the definition or characteristic of a modern company includes several ingredients as far as management is concerned. In terms of manager's

---

[2] From the companies own experience of their own company.

personal behaviour, such as delegated responsibility, responsibility on own initiative, management through values etc., which are related to the most important personal factors as seen above (see table 1 above). These characteristics are much like behavioural competencies. It emerges clearly from above that a managerial style that has a high modernization rate, as a modern company style has, is important.

Since Faroe Islands is a part of the Nordic countries, where Scandinavia is also a part studies in these areas is in the interest of this study. A study of "The Scandinavian leader" (Lindholm, 2004a) concluded that:

- Scandinavian leadership is unique since it is based on attitudes and values which originate from the Scandinavian culture. Central for this leadership is respect for the individual human being and society.
- Scandinavian leadership is characterized by the egalitarian Scandinavian society with small social differences. It is characterized by flat organizations, short distance between management and staff together with a decision-making process where employees are involved.

These characteristics are important as it commits modern and competent employees and make all creative potential available. Upon selling his company (Navision) to Microsoft the Danish manager, Preben Damgaard changed his role from entrepreneur to top manager in Microsoft. He stated that

(Lindholm, 2004 a, p. 17): "*I am much a Scandinavian in my way of managing and it is about delegating and inspiring people. You can not just delegate and not care about the rest. What really matters is freedom with responsibility. The American way of managing is that I as a manager tell you what you shall do from A to B and when you arrive at B, then I come and we talk again about what you then shall do. The Scandinavian way of managing is not only about what you shall do but also why you shall do it as well as me hearing the employee's point of view. I hear the point of view from the employees. Scandinavian management is a collaborative model*".

Essentially, therefore it is important to be aware of this way of managing, which is important for an organization and it competitiveness, since the employees are involved in the companies´ decisions. This gives the employees the opportunity to contribute with good proposals to things being done better etc.

Schramm-Nielsen et al. (2004) directly warns against importing American management methods as they may weaken the Scandinavian winner model. She makes this warning according to American companies buying Danish or Scandinavian companies or reverse. In such situations the American management principle is ill-suited. Therefore, there is a risk of undermining some of the competitive advantages the welfare the Scandinavian way is built on.

According to World Economic Forum (2006) the world's most competitive nations are the Nordic countries, as is evident below:

Country Rankings 2004-2005			Country Rankings 2005-2006	
1. Finland	9. Japan		**1. Finland**	**9. Norway**
2. USA	**10. Iceland**		2. USA	10. Australia
3. Sweden	11. United Kingdom		**3. Sweden**	11. Netherlands
4. Taiwan	12. Netherlands		**4. Denmark**	12. Japan
5. Denmark	13. Germany		5. Taiwan	13. United Kingdom
6. Norway	14. Australia		6. Singapore	14. Canada
7. Singapore	15. Canada		**7. Iceland**	15. Germany
8. Switzerland	16. UAE		8. Switzerland	16. New Zealand

Table 4. The most competitive nations in 2004/5 and 2005/6

Source: World Economic Forum (2006).

From table 4 above the five Nordic countries were among the ten most competitive nations in the world in 2004-2005 and in 2005-2006 they are all placed among the nine most competitive nations. This is unique, especially when considering that these countries have some of the world largest public sectors, highest minimum wages, highest rate of taxation, strong unions etc. (Lindholm, 2004a). This demonstrates that the Nordic countries are competitive and this is most likely due to the way companies are managed.

Furthermore, in the Global Competitiveness Report the Nordic countries dominate the top when nations are ranked according to their willingness to delegate responsibility. Sweden, Denmark and Finland are ranked in three the highest numbers while Norway is placed as no. 8 (World Economic Forum, 2006). This is probably one of the important factors of the managerial style that make the Nordic countries so competitive.

According to Lindholm (2004b) the Scandinavian manager is a perfect example of the modern manager. They are characterized by low profile, focus on professionalism and ability to get people and machines to work together. According to the report "Den skandinaviske leder" ("The Scandinavian manager") (Lindholm, 2004b) – an investigation of 510 managers from

small and large companies in Denmark and Sweden where they among others were asked how they would characterize themselves as managers. Furthermore, how they characterize Scandinavian respective American managers generally. The results are as follows:

The Scandinavian manager			The American counterpart
Professional skills	36%		22%
Result-oriented	35%		70%
Reliable	35%		3%
Honest	33%		3%
Ambitious	29%		65%
Effective	26%		30%
Good to communicate	25%		36%
Attentive	20%		3%
Enterprising	19%		42%
Short-term horizon	18%		41%
Ethical	17%		2%
Socially orientated	16%		3%
Considerate	14%		1%
Long-term horizon	13%		13%

Table 5. Profile of the Scandinavian manager compared with the American colleagues

Source: Lindholm (2004b)

From table 5 (above) it is evident that Scandinavian managers see themselves as more reliable, honest, attentive and ethical than their American counterparts. They consider American managers to be more ambitious, result-oriented and better at communicating. It is remarkable to see that Scandinavian managers only consider themselves on the same level as their American colleagues in "long-term horizon" and "effective". It can be concluded that Scandinavian managers prioritize soft values higher than their American colleagues. This is definitely the Scandinavian perception. Looking at the most competitive nation in the world USA is no. 2 (see table 4 above). This supports the Scandinavian manager's point of view, since they see their American counterparts to be more "result-oriented" and "ambitious" than themselves (see table 5 above). Schramm-Nielsen et al. (2004) states that Scandinavian countries are more trusted than USA and she directly warns against the American management style compared with the Scandinavian as mentioned above. This indicates that Scandinavian managers could be right in their perception.

Hildebrandt (2005a) states in his study among Danish managers that the most common management styles are (see table 6 below):

1	Through co-operation and participation	81 %
2	Through dialogue and coaching	77 %
3	Through attitude and values	64 %
4	Through self-governing and self-management	51 %
5	Through acknowledgement and rewards	32 %
6	Through follow-up and supervision	21 %
7	Through order and instructions	16 %
8	Through rules and directives	10 %

Table 6. Most common management styles

Source: Hildebrandt (2005a)

Remarks: Management styles managers perform highly/very highly.

The results from table 6 (above) clearly show a picture of a management style that is based on "co-operation and participation", "dialogue and coaching", "attitude and values" and "delegating". Furthermore, the classic management style characterized by management decisions which where communicated by order and rules and followed up by supervision (Hildebrandt, 1995) is not common today. This shows that Danish managers perform a management style that is more modern.

A study among nearly 4,000 managers from different countries (Rosenkrands, 2000) found that managers who are able to motivate and create a dialogue with employees deliver the best economic results. These are managers who are able to set up visions and are good to identify themselves, democratic dialogue and coaching. Furthermore, the winning leaders combine forms of management, soft as well as hard. The study is aimed at measuring coherence between management style and results. The most important conclusions are:

- Management through vision is the strategy that – isolated – have the most positive impact on company results
- Coercive management has a negative impact on employees and the company if this kind of management form is used alone. A leader has the same negative effect if he or she only uses pacesetting, which is a style that sets extremely high performance standards and exemplifies them himself or herself
- The best managers use several management styles and use them appropriately to the situation. The good manager must be able to give orders and work as a coercive and in the next moment be affiliative, democratic or manage through visions. Flexible management   achieves the best results in employees and creates the best economic results.

According to Goleman (2000) there are six distinct leadership styles that appear to have a direct and unique impact on the working atmosphere of an organization. From his research of

3,871 executives selected from a database of more than 20,000 executives worldwide the following six styles are used (see table 7 below):

	Authoritative	Affiliative	Democratic	Coaching	Pacesetting	Coercive
Contents	Mobilizes people toward a vision, self-confidence, empathy and change catalyst	Creates harmony and builds emotional bonds, empathy, building relations-ships, communication	Forges consensus through participation, collaboration, team leadership, communication	Develops people for the future, developing others, empathy, self-awareness	Sets high standards for performance, conscientiousness, drive to achieve, initiative	Demand immediate compliance, drive to achieve, initiative, self-control
Overall impact on climate	**.54**	**.46**	**.43**	**.42**	**-.25**	**-.26**

Table 7. This is how different managerial styles work

Source: Goleman (2000).

Comment: The figures indicate the correlation. 1.00 means 100% positive connection, while -1.00 means 100% negative connection.

From table 7 (above) it is obvious that management styles which are more competencies based provide the best results. These include "Authoritative", "Affiliative", "Democratic" and "Coaching" whereas the two last mentioned has a negative influence on the climate. On the other hand "Pacesetting" and "Coercive" have a negative impact on the climate.

Goleman and Rosenkrands confirm that management that is more competencies based and modern gives the best restuls.

Furthermore, Goleman (2000) states that leadership will never be an exact science, but leaders can get a clearer picture of what it takes to lead effectively from such studies Goleman and others have conducted.

In conclusion the Scandinavian management style is different especially compared with the American way. The Scandinavian or Nordic countries are among the most competitive in the world and furthermore, their managers are those who are the most willing to delegate responsibility. The Scandinavian management style is a collaborative model, which is well suited to the challenges companies are facing today and in the future. From studies in Scandinavia and in Denmark it is evident that so-called modern earn more money than traditional companies.

The most common management style in Denmark is through co-operation and participation, dialogue and coaching, attitude and values and self-governing and self-management. Through a study among around 4,000 participants worldwide these management styles are those that

have the best overall impact on the working atmosphere of an organization. Therefore these management styles are so important.

2.5 The manager's power base

Managers have legitimized power, which according to Armstrong (2003), is power conferred by the position in an organization held by an executive. A manager is placed between a board of directors and his staff. In a public organization the board of directors is a minister and/or his ministry. Furthermore, a manager's power depends on what power the boards of directors gives the manager. According to Strebel (2004) the board of directors can distinguish between four basic types of governance:

- Audit
- Supervising
- Coaching and
- Steering

These types depend on the board's perspectives, behaviours and roles. Furthermore these roles also depend on the effectiveness of the management. Inside this limitation, which in fact is liberty of action the manager, is given. From this point he or she has to navigate. An ever asking question is whether a manager is something he or she is or it is something she or he becomes.

Hildebrandt (2005a) has argued that historically a change is made from formalized and position based power to more person based power parallel to the general development in the society. Furthermore, Hildebrandt has stated that managers have a power, as they partly have from themselves and partly have got from the people they manage.

The four most frequent conditions of importance that justify the existence as a leader are as follows (Hildebrandt, 2005a):

1	My personal qualities	86%
2	My results	74%
3	My management competencies	73%
4	My professional competencies	66%

Table 8. Conditions of importance that justify the existence as a leader

Source: Hildebrandt (2005a)

Remarks: Factors managers ascribe as having great importance/very great importance

From table 8 (above) it can be seen that personal qualities are more important than management competencies and results. Even though professional competencies are important it is personal qualities that are considered to be the most important competencies. Results (no. 2) are important but not as important as personal skills. The manager's professional competence does not play as important a role as it is ranked as number 4. This could indicate that the management role is much more about the leadership role than his or her professional competencies.

In the study by Hildebrandt (2005a) managers were asked which of the below mentioned factors they thought gave them power of penetration (impact as managers). The results are (see table 9 below)

1	My personal qualities	83%
2	My attitude and values	81%
3	My professional competencies	68%
4	My relationships with others	67%
5	My results	66%
6	My management experience	63%
7	My job and my position	40%
8	My power over resources	38%
9	My power to punish and reward	13%

Table 9. What gives power of penetration in the management job

Source: Hildebrandt (2005a)

Remarks: Factors that managers ascribe as highly/very highly

From the table 9 (above) it is clear that managers consider "personal qualities" and "own attitudes and values" as the most important power base. More than four out of five managers consider these two factors as the most important factors in giving them power of penetration in their position. "Professional competencies", "relationships with others", "results" and "management experience" are also important issues, that managers consider to give them power of penetration in their job.

In conclusion "personal qualities" play a major role in conditions that justify the existence as a leader. Even higher than the "result" a manager is able to achieve. This indicates that managers consider soft skills to be more important than hard skills. When it is about power of penetration in the management position "personal qualities" are ranked as no. 1 albeit closely followed by attitude and values. Personal qualities is clearly the most important factor giving managers power of penetration. One of the central issues in what it takes to be a manager is management power. Management power is of vital importance for the interplay between manager and employees.

2.6 Management tools

The raising demand to managers means that an increasing amount of management tools are appearing. According to Jensen (2004) management tools must be handled with care. He points out that the management literature and the course marked overrun with concepts that attempt to bring management on formula. Acquiring these tools is a waste of time and money if they are not related to the specific challenges the manager faces. If they are mistaken for universal solutions on any management problem they can directly be damaging. Jensen stresses that management is decided by the situation.

The most frequently used management tools are according to Hildebrandt (2005a) (see table 10 below)

Private sector				Public sector		
No.	Tool	%		No.	Tool	%
1/2/3	Staff-/satisfaction investigation	84		1	Appraisal interview	96
1/2/3	Plans of action	84		2	Plans of action	94
1/2/3	Appraisal interview	84		3	Education planning	90
4	Strategic planning	74		4/5	Payment-by-results	89
5	Financial management tools	68		4/5	Strategic planning	89
6	Education planning	67		6	Staff-/satisfaction investigation	87
7	Payment-by-results	60		7	Project management tools	50
8	Project management tools	53		8	Financial management tools	44
9/10	Production operating systems	42		9	Quality systems	34
9/10	Quality systems	42		10	Production operating systems	27
11	Process management tools	33		11	Process management tools	18

Table 10. Outline over management tools in private and public sector

Source: Hildebrandt (2005a)

Remarks: Tools managers ascribe as having great value/very great value

As can be seen from table 10 (above) the public sector has six highly ranked tools (between 87% and 96%), whereas the six highest ranked tools in the private sector are between 67% and 84%. Furthermore, some differences between the two sectors are remarkable, e.g. "payment-by-result" is ranked higher in the public sector (no. 4/5) than in the private sector (no. 7). The reason for this might be that "payment-by-result" has recently been implemented in the public sector in Denmark. Another notable issue is the difference in "staff-/satisfaction investigation" and "educational planning". The most frequent used management tools in both sectors are: "plans of action", "appraisal interview" and "staff-/satisfaction investigation", which all are used by over 80 percent of the managers.

The implementation of new management tools is often an expensive proposition costing companies millions of dollars in training, and development, consulting fees, and other related costs (Rigby, 2001). Furthermore, Rigby states that despite the fact that tools promise more than they deliver, there are a number of tools that achieve great satisfaction among managers worldwide. These are strategic planning and mission and vision statements. In the Danish study (see table 10 above) the first mentioned tool are quite frequently used by the private (no. 4) and public (no. 4/5) sector. Rigby bases his conclusion on results of a survey of the use of tools in companies around the world. Rigby supports Jensen as mentioned above about the caution that must be showed concerning different management tools

In conclusion management tools must be handled with care and must not be brought on formula. The context must decide what management tools are applied. The eleven most frequent management tools are exactly the same in the private as the public sector however, they differ in ranking. The ranking in the public sector is slightly in favour of more soft management tools (leadership) and the ranking in the private sector is a bit more in favour of harder management tools (management). The most important tools in Denmark in 2005 were "plans of action", "appraisal interview" and "staff-/satisfaction investigation".

2.7 Main challenges for managers in years to come

The future is unpredictable and it is hard to determine what it will bring. Therefore, it is important to be flexible and acquire as much knowledge as possible to help cope with the uncertainties Aghazadeh (2003). Aghazadeh (2003) suggested there are five critical challenges that businesses face:

- Globalization
- Profitability through growth
- Technology
- Intellectual capital and
- Change, change and more change

These challenges demand much from managers. There is no choice. These challenges must be taken seriously, since it is most likely that most managers will find these challenges to be theirs too.

The result of the Danish study in 2005 (Hildebrandt, 2005a) shows the following main challenges for managers in the future (see table 11 below):

1	Develop and retain good employees	84%
2	Ensure the company's/institution's competitiveness	73%
3	Physical working environment	69%
4	Raise knowledge and competence level	67%
5	Improvement of customer satisfaction or customer loyalty	66%

Table 11. The five most important management challenges

Source: Hildebrandt (2005a)

Remarks: Challenges managers ascribe as having great importance/very great importance

Table 11 (above) illustrates the most important management challenges over the next two-three years. The most important one is "develop and retain good employees" followed by "ensuring competitiveness". The next three are closely ranked. These are "physical working environment", "raise knowledge and competence level" and "improvement of customer satisfaction or customer loyalty".

There are some differences in managing challenges in the private and public sector. According to Hildebrandt (2005a) the "soft" areas, such as organizational development, value-based management and raising knowledge and competence level has substantially more attention among public sector managers than those in the private sector. On the other hand, not surprisingly, private managers ascribe high importance to export orientation, improvement of owner's returns, internationalization/globalization and ensuring the competitiveness. Other more "hard" areas, such as making working processes more effective, risk and safety management, time and resource management are also prioritized higher by managers in the private sector.

In a study in Denmark a broad panel of top executives, experts from universities, head-hunter companies and capital funds were asked to describe the main challenges Denmark's professionals face in 10 years (Redington et el.,2006). The management challenges were as follows:

- **Diversity** (language, culture, religions and thoroughly political flair in relation to external interests)
- **Knowledge heavy** (great educational ballast with interdisciplinary and international knowledge base)
- **Innovation** (new business procedure, products and concepts developments in continuous development. Competency in innovation and innovation management extremely important)
- **Changeability** (be able to see changes in technology, market preference, political streams, legislation and stakeholder interests)

Even though the horizon in this study is longer than two-three years some tendencies are clear. The four areas listed above are more or less contained in the top five most important management challenges in the Danish study (see table 11 above).

In conclusion as the business environment changes the management challenges will change. Aghazadeh (2003) stated that: "*The most successful organizations will be the ones which can attract, develop and retrain individuals who have the ability to manage a global organization that is responsive to customers and the opportunities being presented by technology*" (p. 206).

The most important management challenges are employees (i.e. "develop and retain good employees" and "raise knowledge and competence level"), the organization (competitiveness and physical working environment) and the market (improvement of customer satisfaction or customer loyalty). Even though there are only five challenges they are spread over a wide area. In investigation that is aimed for a longer period of time many of the same issues can be seen in the short term challenges and the one that professionals face in Denmark in 10 years.

2.8 Conclusion

Even though a clear definition of competencies is lacking, professionals know the importance of the content. The vast number of definitions can lead to the problem that this important issue will be underrepresented due to the lack of clarity for managers and other professionals.

The Scandinavian way of managing is unique. It is a collaborative model and is based on attitudes and values, which is embedded in the Scandinavian culture. Central for this leadership is respect for the individual human being and the society. Furthermore, it is distinguished by flat organizations, short distance between management and staff together with involvement of the employees in the decision-making. This motivates staff and encourages them to participate and contribute with good ideas. The clearest evidence of this method of managing being successful is that the Nordic countries are among the most competitive in the world.

Studies in Denmark show that Danish managers find issues related to leadership and interpersonal skills to be the most important factors. Organizations that are organized as modern, which cover most of the contents of leadership, earn more money.

3 Methodology

The aim of this chapter is to justify the choice of research instrument, type of sampling and how the questionnaire is designed. To ensure that the research instrument will meet questions a conceptual table is made. Furthermore, selection of sample is discussed and how the sample is accessed. In the end of chapter questionnaire problems and coding is discussed as well as some statistical calculation and description are discussed.

According to Hart (1998, p. 28) methodology is defined as: "*A system of methods and rules to facilitate the collection and analysis of data. It provides the starting point for choosing an approach made up of theories, ideas, concepts and definitions of the topic; therefore the basis of a critical activity consisting of making choices about the nature and character of the social world (assumptions). This should not to be confused with techniques of research, the application of methodology.*" The researcher has worked by this and has put a lot of effort in to taking the nature of the society and the CEO´s in consideration.

3.1 Quantitative or qualitative research

Since the research is covering competencies of top managers and the aim is to identify sensitive information, such as

- the challenges top managers face today and in the future,
- the content in the job,
- management form,
- the manager's power base,
- which management tools are most used and
- trying to identify similarities and dissimilarities between the Faroes and Denmark.

Such questions would not be answered without an anonymous investigation. Anonymity is important since the society is small ("everybody knows everybody") and it is the first time such management investigation is carried out in the Faroes. Furthermore, it is important that the CEO is given the time necessary to consider and answer the questions. The best way to do this is to have time, circumstances and overview of the questionnaire.

The research method best suited for this purpose was meant to be quantitative research, since the CEO has the best circumstances to fill in the answers by him and he can feel safe about anonymity, both regarding the issue that neither he or his company will be revealed.

Furthermore, it should be possible directly to compare the answer not only with the Faroese participants, but also with investigations in Denmark etc. To achieve this a questionnaire was posted with an enclosed envelope which was stamped and addressed. By doing it this way the participants could feel sure, that they stayed anonymous.

3.2 Type of sampling (random or purposive)

The population is identified as all managers in the Faroe Islands that have 30 or more employees. This covers all private and all public companies. The type of sampling is purposive sampling, which according to Zikmund (2000) is a sampling technique in which selection of the sample is based upon some appropriate characteristic of the sample members, since the target group is specific (managing directors – CEO´s), as it is only these people who can provide the desired information. According to Sekaran (2003) there are two major types of purposive sampling namely judgment sampling and quota sampling. In this case judgement sampling is found most suitable, since, as Sekran (2003) states, the judgement sampling design is used when a limited number or category of people have the information that is sought. For the present study CEO´s of the organization were chosen as subjects (CEO´s) as they are in the best position to act as informants of the competencies they use or possess in their positions (see part 1.2, p. 9).

3.3 Questionnaire design

Questionnaire design is crucial to the overall success of the research project in terms of contents, structure, language and so on. Therefore, careful consideration and close inspection was a necessary element of the questionnaire design. The most important issue is to ensure that the contents of a questionnaire are directly related to the research questions. To ensure this a conceptual table was made.

3.3.1 Conceptual table

A conceptual table is an illustration that shows clear links between each investigated question and the broader research questions and issues (Beloucif, 2003). From this conceptual table, see below (table 12) the research questions are listed on the left side of the table and directly

related to the research questions, investigated question or issue and are listed in the middle of the table. In the right side of the table the numbers of the question in the questionnaire are listed.

Research questions	Topic or issue	Number of questions
1) Which are the most important management tasks for managers to day?	Most important management tasks	Q. 12 (27 questions in total) Q. 13 (1 question, 4 categories) Q. 14 (1 question, 4 categories)
2) What are the main competencies a manager must have to solve tasks satisfactorily?	Main competencies	Q. 18 (29 questions in total)
3) What is the managerial style, the manager's power base and which management tools are in use?	Managerial style The manager's power base Management tools	Q. 19 (8 questions in total) Q. 16 and 17 (13 q. in total) Q. 15 (20 questions in total)
4) What are the main challenges for management in years to come (2 – 3 years)?	Main challenges	Q. 20 (30 questions in total)

Table 12. Conceptual table (link between investigated topic or issue and research questions etc.)

As is evident from table 12 (above) the contents of the questionnaire are directly related to the research problem and covers all research questions well. The numbers of questions are equally spread over the topics/issues, since there are around 30 questions for each topic/issue, except research question 3, where there are fewer. It is evident that the research instrument meets questions well. For further information see Appendix 8.2 (p. 95).

3.3.2 Types of information collected in the questionnaire

According to Beloucif (2003) there are three types of information collected in questionnaires. These are

1. target data,
2. classification and analysis data and
3. administrative data.

These different data types will be discussed in the below.

Target data, which are data that are directly associated with the research issues, are to be found in question 12 to question 20. These target data are grouped into areas such as important tasks (q. 12), time spent on different tasks (q. 13) and activities (q. 14). Subsequently respondents are asked about different management tools (q. 15), factors justifying their position as leaders (q. 16), factors giving managers power of penetration (q. 17), importance of personal factors and abilities for the management position (q. 18), management style (q. 19) and finally the management challenge over the next 2 – 3 years. Each question has a "tick box". The questions are closed question which is scaled questions by using Likert scale. Likert scale is bipolar, i.e. a scale that has a neutral point with equal numbers of opposing opinion on either side of the neutral point (Burns, 2000). An example of Likert scale, used in the questionnaire, is shown in figure 1, below.

18. What importance do the following personal factors and abilities have for you in your management position?
(Please put one cross for each personal good points/ability)

	No importance 1	Little importance 2	Some importance 3	Great importance 4	Very great importance 5
Involvement	☐	☐	☐	☐	☐

Figure 1. An example of Likert scale (part of question 18)

For further information see appendix 8.2 (p. 95). In some questions such as questions 12, 15 and 20 an extra option is added respectively "Not relevant", "Do no use" and "Not relevant". This is to taka account of the relevance of certain questions to private and public sector managers.

Classification and analysis data, also known as personal information or demographic questions, which are data about the CEO´s. These are used to analyse trends and patterns in the target data, e.g. age, gender, education, business sector. These questions are found in the first part of the questionnaire (question 1 to question 11). For further information see appendix 8.2 (p. 95).

Administrative data are data used to enable follow-up studies. Examples individual follow-up interviews to add depth to data, follow-up questionnaires to provide a more longitudinal analysis (e.g. respondent identification, date, address, etc.). Since it is a key concern of this study to keep the respondents anonymity no administrative date were gathered.

Questions aimed at collecting classification and analysis data are generally easy to answer, therefore such questions are placed at the beginning of the questionnaire. Furthermore, it may encourage the respondents to start/continue completing the questionnaire.

3.3.3 Types of questions

To ensure a high response rate the questions made concise, clear, single issue questions which are easy to understand and easily and quickly answered. All questions except q. 13 and q. 14 are closed and structured questions. Closed questions are questions, which provide a number of alternative answers from which the respondent is instructed to choose (Saunders et al., 2003). Furthermore, the type of closed questions is mostly rating or scale questions, which are questions in which a rating device is used to record responses (ibid). Structured questions are questions were alternative answers options are decided beforehand (Hildebrandt, 1995). This is to ensure consistency in responses to enable the data to be analysed statistically to reveal relationships and patterns. No filter questions are used. Filter questions are questions in a questionnaire that screens out respondents not qualified to answer a second question (Zikmund, 2000). This is to ensure the questionnaire is concise and clear etc. The language is friendly but neutral and jargon is avoided, furthermore, the questions are kept as short as possible and to avoid ambiguity.

3.3.4 Layout and structure

According to Beloucif (2003) the content and structure of the questionnaire are clearly at the heart of an effective questionnaire. However, a range of other design issues are crucial determining the response rate as well the quality of the data. Therefore, much effort is put in the layout. The questionnaire is in colour, with an aerial photography on the front page of the highest promontory or cape in the Faroe Islands. This photography is signalling breadth of view and power, which should get the attention of managers to catch their interest in answering the questionnaire. An introduction is on page 2, providing respondents with relevant and necessary information. For further information see appendix 8.2 (p. 95). A letter from Faroese Employers' Association, printed in colour is, which is an endorsement of the study and encourages respondents to participate in the study is enclosed between page 2 and page 3 (See appendix 8.3, p. 103). The paper format is A3, folded as an A4 booklet, printed on both pages and the paper weight is 100g/m² with a special glazed paper providing an image of quality.

3.4 Selection of sample

The investigation is restricted to companies in the Faroe Islands (private as well as public). Therefore Faroese companies abroad have been omitted. Companies in the Faroe Islands encompass all companies in the Faroe Islands including those under foreign ownership. Furthermore, the study covers Faroese top managers and attempts to establish what type of management culture is in the Faroe Islands.

To meet the objectives the first step was a search on how many companies are in the Faroe Islands. From table 30 (p. 94), the companies are divided into size and type (public or private). From this table it appears that 110 companies have 30 or more employees. For those companies with less than 30 employees there is a risk that managers may not wish to participate. These managers may consider the questionnaire irrelevant to them since it has been designed to investigate top management competencies. These competencies is evident more visible in lager companies. Furthermore, small organizations may be not as organized as larger organizations.

3.4.1 Private limited companies

To find the largest companies in the Faroe Islands the manager of *The Company Registration Authority* was contacted to see if they could produce a list, where private companies were ranked by size. The researcher was advised that such a list was not available, however, he referred me to the *Business Line* (Thomsen, 2006). Business Line holds the accounts of 1,657 companies for 2004. Furthermore, Business Line offers an on-line accounts system providing access to all private limited companies (Business Line, 2006). Although not all private companies are limited larger companies are likely to be limited as the amount of shareholder capital required is relatively low. The minimum is DKK 80,000 (about £7,300) and a private limited company pays less tax (20%) compared with single ownership companies that pay normal income tax rates (about 50%). Furthermore, a private company has better depreciation options compared to a single ownership company (Toll- og Skattstova Føroya, 2006). Therefore non-limited companies tend to be newly established and small one or two persons companies.

If a private limited company has failed to submit the annual account for 2004 it is likely to have gone bankrupt, since the deadline for accounts for 2004 was July last year (Føroya Landsstýri, 2006b). Therefore, there is no doubt that the private companies listed in figure 21 (p. 107), encompass all private companies in the Faroe Islands with 30+ employees.

3.4.2 Public organizations

The government has institutions and enterprises. These are not as easily located as private limited companies. The best method was to get the Ministry of Finance to run a ranking list over wage payments in 2005 (the newest) for each institution and enterprise (Fíggjarmálaráðið, 2006). The number of employees in these ranked institutions and enterprises were then found in the Budget for 2005, where a detailed activity survey is listed up with e.g. number of full-time employments (Fíggjarmálaráðið, 2005). These numbers of employees are entered in the ranking list by number of employees and are re-ranked from largest number of staff members. Those institutions and enterprises which have 30 or more employees are listed up on the same list as the private limited companies. See also appendix 8.7 (p. 107).

3.4.3 Other organizations

After all the private and public companies were found there only remained municipalities and other types of organizations, such as insurance companies and the Post Office. To establish which municipalities have 30+ employees it was necessary to find their umbrella organization. In the Faroe Islands there are two municipality organizations. One that covers the six largest municipalities (Kommunusamskipan Føroya, 2006) and the other, which covers the remaining 28 (Føroya Kommunufelag, 2006). From the two respective homepages 2 municipalities were found to have 30+ employees. These are listed on the same list as the private limited companies and the public organizations. See also figure 21 (p. 107).

Co-operative societies, such as the Co-operative Wholesale Society and dairy work are not coved in this study. These are few and have no practical influence except that it could be interesting to see if there where any differences in their way of managing since their background is different.

3.4.4 Response rate

	Number	%
Managers contacted by telephone	94	
Managers accepted to receive a questionnaire	94	100%
Managers completing and returning the questionnaire	81	86%
% of returned questionnaires	**86%**	

Figure 2. Overview of responses etc.

From other investigations an acceptable rate of 75% is standard, when you get in telephone contact with potential participants in advance (Hildebrandt, 2005a). The reason for why this part is so high in this case is likely the six reasons mentioned below:

1) The researcher's position as a permanent secretary and previous managerial positions, both in private and public sector, provide easy access through gatekeepers

2) The encouraging letter (see appendix 8.3 (p. 103)) from the Faroese Employers' Association signed by the manager for the organization (reference to an organization which has a good reputation and most participants belong to)

3) A short and concise telephone script (see appendix 8.4 (p. 104))

4) The respondents are guarantied anonymity

5) Manager's interest in this topic as previous research on this topic has not been conducted.

6) My position as a permanent secretary in *the Ministry of Education, Research and Culture* is most likely seen as a neutral position (trusting and see no reason for abusing data).

From figure 2 above it is evident response rate for questionnaire is relatively high (86%) when compared to other countries. In the Faroe Islands the use of questionnaires is a recent phenomena especially with regards to management studies. Furthermore, the population is small and people are not normally so willing to participate in such studies for fear of being recognized.

The high response rate is attributable in part to the six above mentioned factors (see figure 2). However, two additional factors are likely to have contributed to the high response rate:

The reason why the response rate of sent out questionnaires returned in above is so fairly high can be due to above six mentioned reasons and following two explanations:

1) The day of the deadline an e-mail was send to all participants where those who had answered were thanked and those who had not were kindly requested to return the questionnaire (see app. 8.5, p. 105).

2) Five days after the deadline an e-mail was again sent to all participants thanking those who had responded and a final reminder to those who had not yet responded (see app. 8.6, p. 106).

The two above mentioned factors did prove to be helpful since 12 questionnaires where returned after reminder no. 1 (e-mail the day of the deadline) and after reminder 2 (e-mail five days after the deadline) 11 questionnaires where received by mail. These two figures correspond to 25% of the total questionnaires sent out to participants.

3.4.5 Respondent's distribution by sector

From figure 3 (below) the participants are divided into sectors. The Public sector represents 32.1% (33%) and the private sector represents 67.9% (67%) of returned questionnaires. The figures in brackets are the proportion of questionnaires posted. Comparing these two figures posted and returned questionnaires are practically identical. They are so close that only one questionnaire makes the difference. In other words the private sector is a little over represented and the public sector a bit under represented.

In   figure 4 the participants who have returned their questionnaires are divided into business sectors. Production is the largest (24.7%), education and research are second largest (18.5%), sales, service, hotel and restaurants are the third largest (14.8%). These three sectors cover 58% of total respondents. Subsequently six sectors make up the rest. These sectors account for between 5% and 9% each.
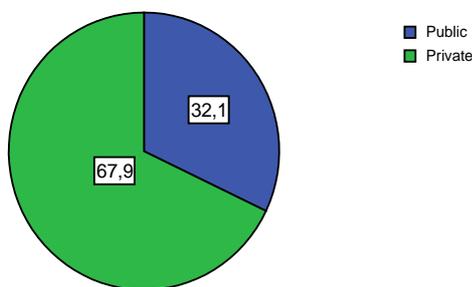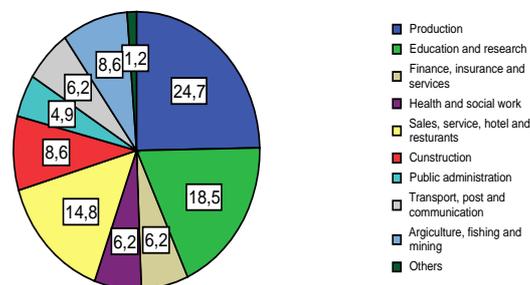
Figure 3. Participants divided into sectors (in %)

Figure 4. Participants divided into business sectors (in %)

3.5 Research Access

Key to the success of this study is gaining access to CEO´s through their organizations. Therefore it is important to plan this access carefully. In this study access was divided into six stages.

(1)   **(2)**   **(3)**   **(4)**   **(5)**   **(6)**

| Respondents name and address | → | Telephone inquiry | → | Appointm. with the manager | → | Posting questionnaire | → | Receiving questionnaire | → | E-mail reminder 1 and 2 |

⇧

| Establish rapport with the secretary |
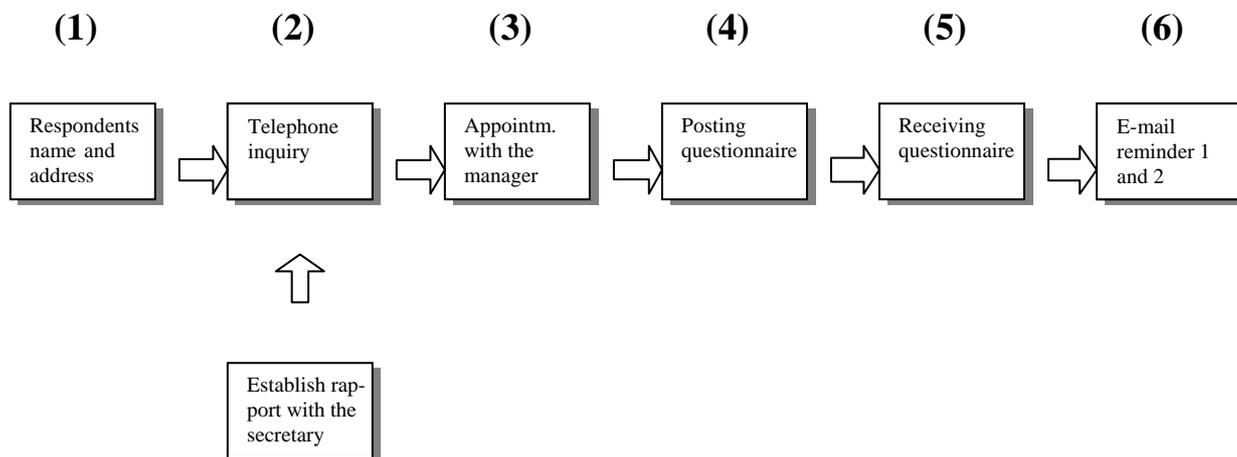
Figure 5. Stages in gaining access to the companies

Source: inspiration from Beloucif (2003)

3.5.1 Stage 1: Respondent's name and address

As mentioned in part 3.4 (p.37), the list over private companies was found from Business Line, the public companies from a list from the Ministry of Finance and the Budget and municipalities from the largest municipality umbrella organization. Furthermore other companies, such as the insurance company and the Post Office were found from the yellow pages etc.

When the list over private companies was completed the companies annual accounts for 2004 were examined in order to establish the name of the Chief Executive Officers (CEO). This was followed by a search for the companies' homepages. Companies without homepages e-mail address were obtained by using the search machine from Føroya Tele (Føroya Tele, 2006a). Where no information was available the electronic telephone book was searched (Føroya Tele, 2006b). Finally, if this did not prove successful the Business Directory was used (Føroya Tele, 2006c). To insure that the information was correct and it was the present CEO, the obtained information was compared to the company's homepage.

It turned out that some CEO were CEO for more than one company. In two cases CEO headed up 3 of the selected companies. Therefore, the initial sample in this case was reduced by four companies. Mergers, take-overs, bankruptcy and management rotation changed the number of potential participants which reduced the sample from 110 to 94 (see app. 8.1, p. 94 and app. 8.7, p. 107).

3.5.2 Stage 2: Telephone inquiry

From the sample (see app. 8.7, p. 107) the researcher contacted the company by phone. The researcher introduced himself by name and title and asked for the CEO by title and name. There were no problems to pass the reception/gatekeepers to speak to the CEO directly or his/her secretary. If the CEO was unable a phone-back was arranged. This part of the process worked extremely well.

3.5.3 Stage 3: Appointment with the manager

When the CEO was reached the researcher introduced him self by name and title. The CEO was asked if he could set aside 45 seconds for a presentation. All accepted this and most CEO did find it funny only to be asked for 45 seconds. This together with previous acquaintance most CEO made access easier. However, most CEO find it interesting to talk about the subject in general (see app. 8.4, p. 104). 94 CEO were contacted and all 94 accepted to take part in the investigation, i.e. get a questionnaire and return it. All CEO seemed to be highly motivated for taking part in the study.

3.5.4 Stage 4: Posting questionnaire

The questionnaire posted the same day as the telephone conversation took place to keep up the motivation of the CEO. Furthermore, it signalled the seriousness and enthusiasm of the researcher. The questionnaire (see app. 8.2, p. 95) was posted together with the letter from the Faroese Employers' Association (see app. 8.3, p. 103) and stamped addressed envelope. This ensured anonymity and made returning the questionnaire easier.

3.5.5 Stage 5: Receiving questionnaire

Already within 3 days 33 questionnaires were returned (35%). By the deadline (15 days) 58 questionnaires were returned (62%). Every questionnaire was manually examined carefully to see how participants had managed to fill in the questions and how well the questions suited to the purpose. This examination turned out well, except some overlap as mentioned in part 3.6 below, but the response rate was not as high as hoped. So a pre-planned reminder and follow-up e-mails were sent.

3.5.6 Stage 6: E-mail reminder 1 and 2

The day of the deadline an e-mail (see app. 8.5, p.105) was sent those yet to respond where they were kindly reminded to complete the questionnaire and return it. This proved fruitful, since a further 12 questionnaires were received.

Five days later a second reminder e-mail (see app. 8.6, p. 106) was sent and proved fruitful as a further 11 questionnaires were returned. After having received 81 questionnaires or 86% it was not considered necessary to try again, since it would not be likely that more questionnaires would return.

3.6 Questionnaire problems and coding

The data was processed in a data base called SPSS (Statistical Package for the Social Sciences). The reason for choosing this software package was that it is a powerful data analysis and statistics programme specially tailored to the requirements of social science researchers and widely used by social researchers in universities, government agencies and the private and voluntary sectors. Furthermore, SPSS is one of the most popular software packages for analysis of quantitative data. The university offered students this package, which ease the access to SPSS and was another reason for choosing SPSS.

The questionnaire appeared to work well, since only few problems occurred. However, question 3 (education), question 5 (business sector) and question 13/14 (dividing working tasks in percentages) proved problematic when coding the answers. According to Buckingham and Saunders (2004) when coding questions with multiple answers there are two approaches:

1) Creating several new variables using the same codes
2) Creating a series of dichotomous variables

Using method number 1 entailed treating the question as if it had been asked several times over, rather than just once. Method number 2 on the other hand multiple answers are treating each possible answer as a variable with just two values:

> 1 Mentioned by respondent
>
> 0 Not mentioned by respondent

Using the latter method (no. 2) it can get quite cumbersome since question 3 could end up with 7 new dichotomous and question 5 with up to 10 new ones. For this purpose method

number 1 (creating several new variables using the same code) has been chosen to question 3 and question 5. The problems in question 13/14 was of another kind and solved accordingly.

Question 3 is showed below:

3. What is the highest qualifying education you have completed since secondary school?
    (Please put only one cross)

	1 None
	2 Skilled worker
	3 Internal education
	4 Shorter higher education (1 – 2 years duration)
	5 Middle range higher education (2 ½ - 3 ½ years duration)
	6 Longer higher education (4 years and longer)
	7 Other (kindly write which):

Figure 6. Question 3

Some participants answered by crossing more than one box. Coding problems were solved by coding the highest qualifying education answer, which was the question.

Question 5 is showed below:

5. In which business sector is your company in?
    (Please put only one cross)

	1 Production		6 Construction
	2 Education and research		7 Public administration
	3 Finance, insurance and services		8 Transport, post and communication
	4 Health and social work		9 Agriculture, fishing and mining
	5 Sales, service, hotel and restaurants		10 Others

Figure 7. Question 5

It is evident that some companies especially private and big ones operate in more than one business sector. Even though the participants where asked only to place one cross some (5) put more than one. This coding problem was solved by coding the question as if the question had been asked several times over (method no. 1 above). Two new variables were added (VAR00147 and VAR00148).

The right thing to do to avoid this was to give more information in the brackets such as "(Please put only one cross. If your company is operating in more than one business sector then put a cross for the main sector (where your turnover is greatest) your company is operating in)".

Question 13 is showed below:

13. How great a percentage of your working hours do you currently spend on tasks which are connected to the following four management areas?
(Please mention a percentage for each task, so it adds up to 100%)

Administration and organization (Information processing, follow up, coordinating, organizing etc.)	_____	%
Goals and result monitory (Goal, planning, efficiency, productivity, economy, time management etc.)	_____	%
Staff development (HR – Human Resource) (Teambuilding, co-operation, ethics, values, conflict, development of competencies etc.)	_____	%
Business development (Product, service and market development, vision, image, customer relations etc.)	_____	%
In total	= 100	%

Figure 8. Question 13

A couple of respondents had problems allocating a percentage for each task, so it added up to 100%. This problem occurred in both q. 13 and q. 14 (same kind of questions). This problem was solved by raising or reducing the figures equal in direct ratio to figures that the respondent had inserted. In that way these figures where made comparable. These mistakes must be characterized as a slipper.

Three respondents (3%) only answered the first part of the questionnaire (question 1 to 16) and completely left out the last part (q. 17 – 20). These people have all higher academic education (4 years or more), (……………………………………………………). Furthermore, none of these people had any problems answering q. 3, q. 5, q. 13 or q. 14. These three CEO´s come from different company sizes (number of employees) too (…………………..). Therefore the most obvious reason for not answering the last part is that the missing questions are all on page 6 and page 7, that these people have not seen these questions (overlook) or have seen all these questions as too comprehensive. But the number taken in consideration this missing data have little importance.

Leaving out of account the above mentioned problems which was mistakes that with the wisdom of hindsight for some extent could have been avoided (q. 5), but not in the others (q. 3, q. 13 and q. 14). In all likelihood these mistakes were not revealed in the pilot test as the companies were smaller than those in the actual study. Furthermore, those in the pilot test may have been more aware and more focused therefore they made fewer mistakes.

3.7 Some statistical calculation and description

From table 31 (p. 108) it can be seen that 2 persons are missing, i.e. they have not filled-in their year of birth. Furthermore, the mean is 1957,96 (or 15th December 1957), which is the average age of all participants in the sample. The table also shows that the oldest person is born in 1938 (68 years old) and the youngest is born in 1975 (31 years old). The median is

1959, which is the middle value in the range of values in the sample. The mode, which is the value that occurs most frequently, is 1962, which also can be seen from figure 22 (p. 108) that shows that the number is six. In table 31 (p. 108) the skewness, which shows whether data are skewed towards one end or other of the distribution, is calculated to -,307. The reason for this is that the mean (1957,96) and median (1959) are different, but only a little. Since the skewness is so close to zero the distribution is symmetrical and it is negative skewed ("left" skewed) since the skewness is negative, which is also appearing from figure 22 (p. 108). This shows that most samples are clustered around the mean.

4 Findings/Analysis/Discussion

The purpose of this chapter is to present the findings from the study. First is the profile of the respondents introduced by gender, age distribution, educational background, size of organization etc. Since are findings presented according to each research question starting with which are the most important management tasks, followed by time managers spend on management areas and management activities. After that the most important management competencies are presented followed by which is the most common management style. Afterwards factors that justify existence as a leader are presented followed by factors that give penetration in management position. Later are most common and useful management tools revealed and lastly the main challenges in the years to come are presented.

The findings are since discussed according to and compared with studies in the literature review to find similarities and differences to managers in other countries.

4.1 Respondent profile

The findings start off with the demographic background of the 81 respondents. Of reason of clarity information is provided in figures, charts or tables etc in the following. In part 3.4.5 (p. 42) respondents are shown by sector.

Respondent distribution on gender and age are shown below

Gender (Male or Female)

Male
Female

6,2%

93,8%

Respondent age distribution

34%

19%

47%

Under 40 years
41-50 years
Over 50 years
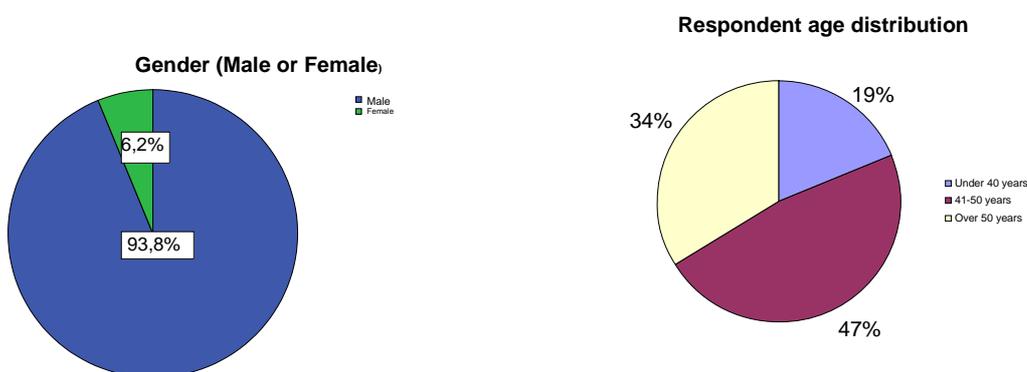
Figure 9. Participants divided by gender

Figure 10. Respondent age distribution

From figure 9 (above) only 6% of the respondents are female, while the male representation is nearly 94%. Figure 10 (above) shows respondent age. The age group of 41 to 50 is represented by 47%, which is nearly a half of the participants. Subsequently, those who are

50+ are represented by 34% and lastly the under 40s account for 19%. This indicates that the CEO in the Faroe Islands are a little younger that the respondents in the Danish study, where the average age was in the late forties, but we must bear in mind that the Danish study included mid-level and junior managers too (Hildebrandt, 2005a).

What kind of sector (public or private)?	Year of birth?
Public	1953,96
Private	1959,81
Total	1957,96

Table 13. The mean for public and private sector

We can see from table 13 (above) that the mean in the public sector is in average born in 1953,96 and in the private sector in 1959,81. In other words, a manager in the public sector in average is 52 years old and in the private sector the manager is in average 46 years old today. This is a difference in average of 6 years. This states that a manager in the public in average is 6 years older than his colleague in the private sector.

The respondent's educational background is shown in figure 11 below
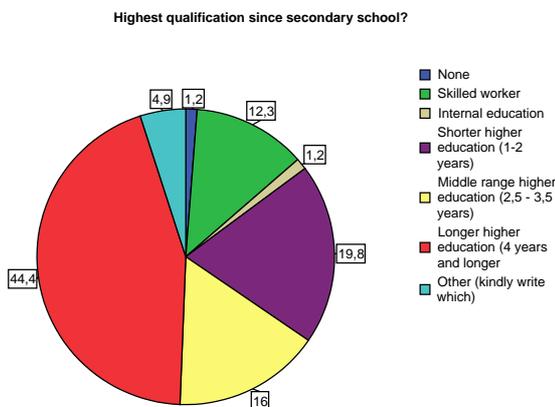
Figure 11. Highest qualification since secondary school

From figure 11 (above) it appears that only 1,2% of the participants have no education after secondary school. Over 44% have a longer education (more than 7 years after secondary school) and 16% a middle range higher education (5-6 years after secondary school) and nearly 20% have a shorter higher education (4-5 years after secondary school). Around 12% of the CEO are educated as skilled workers.

The educational level is divided in to sectors in figure 12 below
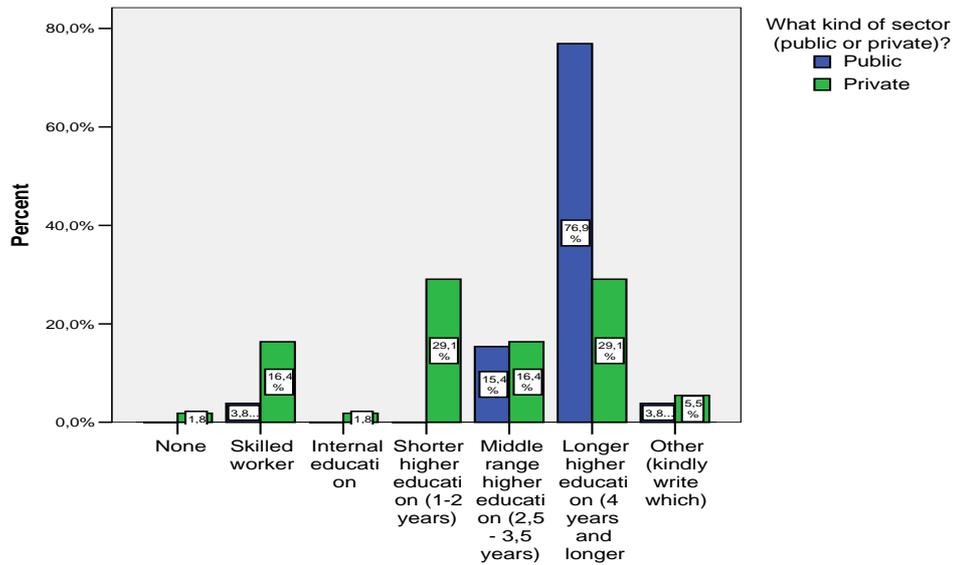
Figure 12. Educational level divided into sectors

From figure 12 above it is obvious that managers in the public sector are better educated than their colleagues in the private sector. Of all managers in the public sector around 77% have a longer higher education compared with 29% for their counterparts in the private sector. Furthermore, 16% of the public managers have a middle range higher education, which is almost the same as their colleagues in the private sector. The reason for there being so many highly educated managers in the public sector, compared to the managers in the private sector, is that formal educational requirements are to management positions in the public sector.

Turning to the managerial experience of the respondents the data revealed the following (see table 14 below)

		How many managerial jobs?	Haw many years in total as manager?	How many years in your present company?	How many years in this job?
N	Valid	81	81	81	80
	Missing	0	0	0	1
Mean		1.15	16.20	16.10	12.14

Table 14. Mean for manager's jobs

Table 14 (above) shows that the respondents have on average been managers for more than 16 years (16.2 years). During that period they have had 1.15 managerial jobs, on average been over 16 years in the present company (16.1 years) and a great deal of the time been in the same organization (three quarters of the time or over 12 years) before they became managers.
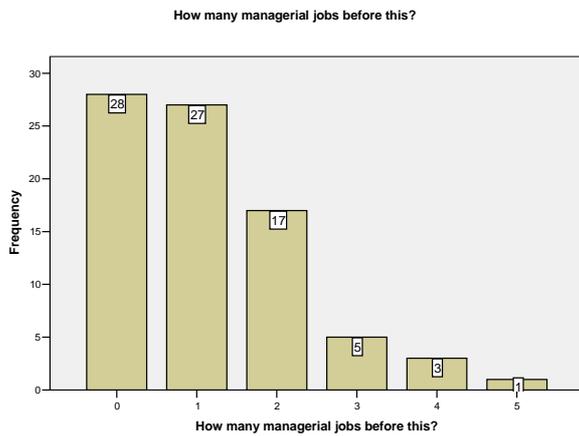
Figure 13. Number of managerial jobs before present job.
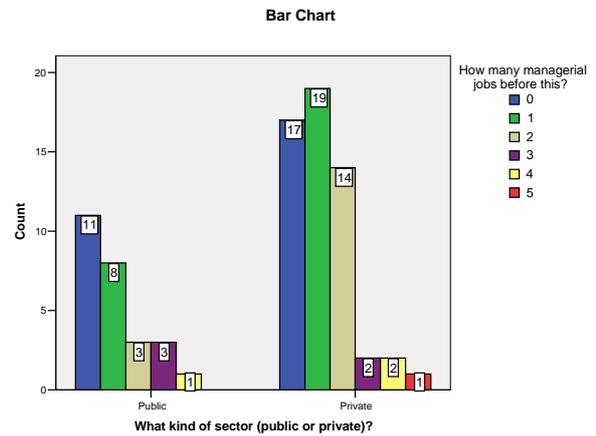
Figure 14. No. of managerial jobs before this into sector.

Figure 13 (above) shows that 28 respondents have not had any managerial job before present job and 27 have had one job before present job. 17 have had two jobs before, five three jobs before, three four jobs, and only one person have had 5 managerial jobs before present job. In figure 14 (above) number of managerial jobs is divided into public and private sector. It is evident that public managers have less experience from other managerial jobs than their private colleagues. This testifies that Faroese managers do not have much experience from other managerial jobs, especially not the public managers as compared to their counterparts in the private sector.

		How many staff members in the company?	How many staff members reporting directly to you?
N	Valid	81	79
	Missing	0	2
Mean		109,12	15,96
Minimum		8	3
Maximum		1000	130

Table 15. Number of employees and staff reporting directly to the manager

From table 15 (above) the average number of staff members in participating CEO´s organizations is slightly more than 109. The smallest company had 8 employees and the largest had 1,000 employees. Each manager has on average almost 16 employees reporting directly to them. The manager with the fewest has 3 staff members whereas the manager with the most has 130 employees reporting directly to him/her.

The size of respondent's organization measured by employees is showed below (see figure 15 below).
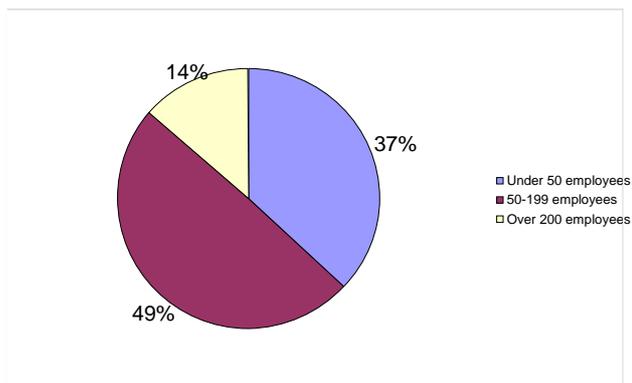
Figure 15. Size of respondent's organizations

From figure 15 (above) it is shown that 37% of respondents come from small organizations, i.e. organizations that have less than 50 employees. 49% are from organizations with 50 to 199 employees (medium size) and 14% from organizations with more than 200 employees (large size). When divided into private and public sector the picture is as follows (see figure 16 below)
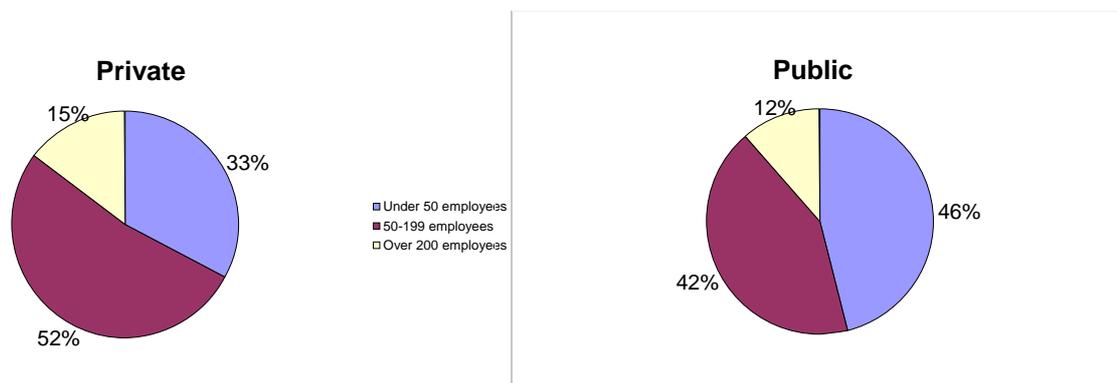
Figure 16. Size of respondent's organizations divided into sector

Figure 16 (above) shows that 33% of the private sector managers are from organizations with less than 50 employees, 52% are from organizations with 50 to 199 employees and the remaining 15% from organizations with more than 200 employees. For the managers from the public sector the figures are 46%, 42% and 12% respectively. Therefore, in general, public sector managers represent smaller organizations measured by employees than their counterparts in the private sector.

4.2 Findings

4.2.1 The most important management tasks

The participating managers were asked which of 27 predefined tasks are important in their management positions. The ten highest ranked are as follows (see table 16 below):

1	Motivation of others	91,4%
2/3	Goal and results monitory	90,1%
2/3	Business development	90,1%
4	Staff satisfaction	86,4%
5	Co-ordinating	84,0%
6	Organizing	82,7%
7	Delegating	81,4%
8	Formulation of vision and strategy	80,3%
9	Communicate values/attitudes	79,0%
10	Planning	77,8%

Table 16. Most important management tasks

Remarks: Based on respondents answering great and very great importance

Table 16 above shows that motivation of others is ranked highest followed closely by goal and result monitory and business development. "Staff satisfaction" is ranked as number 4, "co-ordinating" as number 5 and "organizing" as number 6. The following table indicates how private and public managers rank the ten most important management tasks today (see table 17 below). For ease of comparison colours have been used as highlighters.

	Private sector				Public sector	
No.	Tasks	%		No.	Tasks	%
1/2	Goal and result monitory	94,6%		1	Co-ordinate	100%
1/2	Business development	94,6%		2	Organizing	96,2%
3	Motivation of others	90,9%		3	Delegate	92,4%
4	Staff satisfaction	83,6%		4/5	Motivation of others	92,3%
5	Communicate values/attitudes	80%		4/5	Staff satisfaction	92,3%
6	Formulation of vision and strategy	78,2		6	Conflict handling	88,4%
7	Organizing	76,4%		7/8/9/10	Follow-up/supervision	84,6%
8/9	Co-ordinating	76,3%		7/8/9/10	Planning	84,6%
8/9	Delegating	76,3%		7/8/9/10	Instruction and training staff	84,6%
10	Planning	74,5%		7/8/9/10	Formulation of vision and strategy	84,6%

Table 17. Most important management tasks divided into sectors

Remarks: Based on respondents answering great and very great importance. Tasks are coloured to ease comparison.

Table 17 (above) compares private sector managers with their counterparts in the public sector shedding light on the most important management tools. Not surprisingly the private managers rank "goal and result monitory" and "business development" as the most important management tools whereas the public managers do not rank these tools inside the ten most

important management tools. On the other hand public managers rank "co-ordinating", "organizing" and "delegating" as their most important management tools whereas the private managers rank these tools as less important among the ten most important. This is in a way remarkable since these tools normally are more connected to the private business than the public sector. The reason for this might be that private sector managers do not see these tools as important as tools, since they have been in use for several years and private sector managers see other tools to be of greater importance. The reason for public manager ranking these tools so high might be that these tools are necessary now, since the public sector is dealing with an ever changing environment which the private sector has been dealing with for several years. This indicates that private and public sectors are getting more similar as stated above (see 2.1.1.1, p. 16). Both sectors have placed "Motivation of others" and "staff satisfaction" in the middle of the top ten rankings. This is another evidence that private and public sectors are getting more alike. On the other hand tools that private sector managers rank are not among the public sector managers´ as well as there are examples to the contrary. Private sector managers have more business tools, such as "goal and result monitory" and "business development" mentioned above, which can be characterized as more hard tools (management), whereas "communicate values/attitudes" is a more soft tool (leadership oriented). On the other hand public sector managers have "conflict handling", "follow-up/supervision" and "instruction and training staff" as tools that private sector managers have not ranked among the ten most important management tools. These tools are more or less between hard and soft oriented tools. It can be concluded from table 17 above that public sector managers are getting more similar to their counterparts in the private sector concerning most important management tools and both are attaching importance to organizational tools and employee matters. Further, it can be concluded that public managers are slightly busier with staff related matters, especially the more soft ones (leadership oriented).

In addition it is evident that managers in the public sector are in greater agreement regarding which management tasks that are the most important. An example of this is that all public managers agree (100%) that "co-ordinating" is the most important management task. In contrast their counterparts in the private sector are in agreement on the two most important management tasks ("goal and result monitory" and "business development") but not in the same level.

Comparing the two tables (table 17 with table 16 above) the rankings between the two sectors is more similar with the private sector. The reason for this is that the number of private managers is twice as many as their colleagues in the public sector, as mentioned above (see

figure 3, p. 42). Therefore their responses weighted twice as much as their counterparts in the public sector.

In order to create a general view of the managers everyday life and to what extent there is coherence between managerial focus and real use of time, the managers were asked to indicate how many of their working hours they spent on four general management tasks and four daily activities.

The amount of time managers spend on tasks connected to the management areas, such as administration and organization, goals and result monitory, staff development (HR – Human Resource) and business development is shown in figure 17 (below):
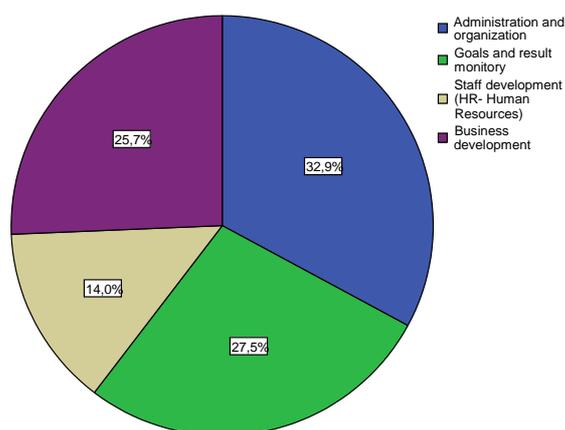
Figure 17. Time spent on management areas

Figure 17 (above) illustrates that the managers spent most time on administration and organization (32,9%), followed by goals and result monitory (27,5%), then on business development (25,7%) and least on staff development (14%). In the following figures a comparison is made between the two sectors (see figure 18 below):
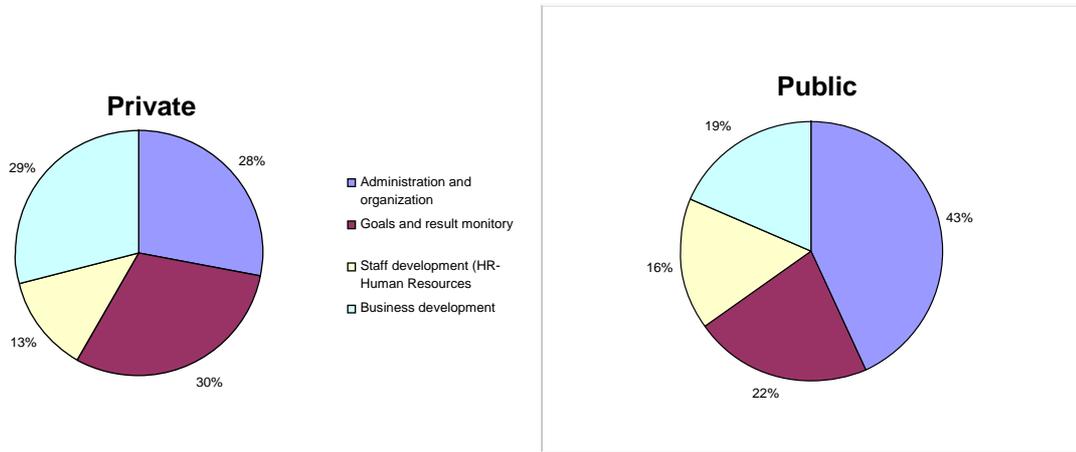
Figure 18. Time spent on management areas divided into sectors

From the above figure (figure 18) it is clear that private managers spend 30% of their time on goals and result monitory whereas those in the public sector spend 22% on this area. On the other hand the public managers spend 43% of their time an administration and organization whereas the manager in the private sector only uses 28% of his/her time on this area. The private managers spend 29% of their time on business development in contrast to 19% for managers in the public sector. For staff development (HR- Human Resources) the time spent is 16% for public sector managers and 13% for private managers.

Managers were also asked how great a percentage of their working hours they spend on the following activities (see figure 19 below)
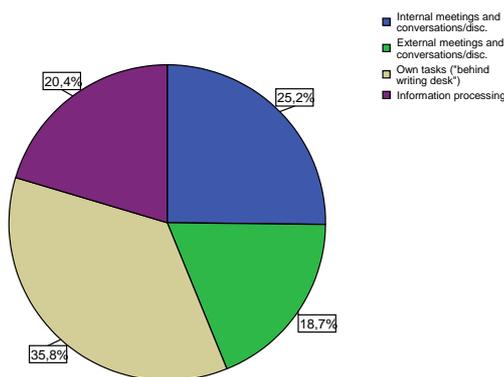
Figure 19. Time spent on management activities

Figure 19 (above) illustrates that managers spend most time on own tasks (35,8%), followed by internal meetings and conversations/discussion (25,2%). Next comes information processing (20,4%) and least time is spent on external meetings and conversations/discussions

(18,7%). In the following pie charts a comparison is made between the two sectors (see figure 20 below)
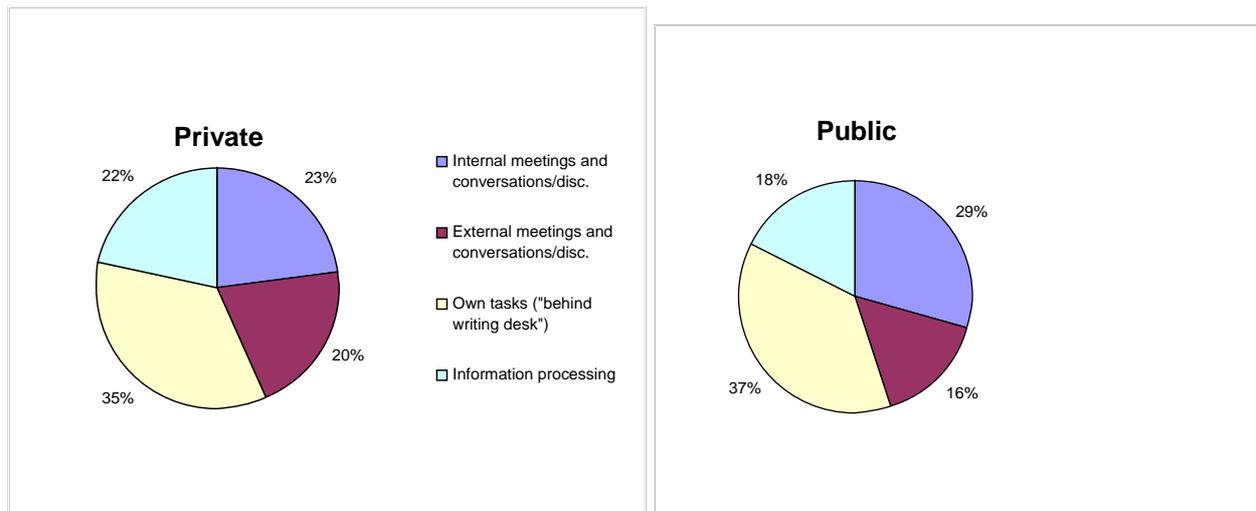
Figure 20. Time spent on management activities divided into sector

From figure 20 (above) it is evident that private as well as public managers spend around the same amount of time on own tasks (35% and 37% respectively). However, there is a difference in time spent on internal meetings. Here the public sector manager spends 29% of his/her time whereas the equivalent figure for the private manager is 23%. On the other hand managers in the private sector spend 20% of their time on external meetings whereas this figure is 16% in the public. Private managers spend 22% of their time on information processing whereas their counterparts in the public sector only spend 18%.

4.2.2 Main competencies

Managers were asked about 29 predefined personal factors and personal abilities, which they should assess the value of. The results of the twelve most important are listed in table 18 below.

1	Credibility	97,4%
2	Interpersonal skills	92,4%
3/4	Responsibility	91,1%
3/4	Will	91,1%
5	Confidence in others	87,2%
6	Enthusiasm/vitality	85,9%
7/8	Results-oriented	85,9%
7/8	High stress tolerance	84,6%
9	Persistence	84,6%
10/11/12	Independence	82,0%
10/11/12	Energy	82,0%
10/11/12	Self-confidence	82,0%

Table 18. Most important competencies

Remarks: Based on respondents answering great and very great importance

Table 18 (above) shows that the most important main competencies are "credibility" followed by "interpersonal skills", "responsibility" and "will" and number five is "confidence in others". It is evident from the table above that the twelve highest ranked competencies are all supported by over 80%. From the following table the difference of the ten most important competencies between private and public managers can be seen (see table 19 below):

Private				Public		
No.	Factors/abilities	%		No.	Factors/abilities	%
1	Credibility	96,2%		1/2/3	Credibility	100%
2/3	Interpersonal skills	88,7%		1/2/3	Interpersonal skills	100%
2/3	Will	88,7%		1/2/3	Responsibility	100%
4	Responsibility	86,8%		4/5/6	Will	96,0%
5	Enthusiasm/vitality	84,9%		4/5/6	Confidence in others	96,0%
6	Confidence in others	83,0%		4/5/6	Results-oriented	96,%
7	Persistence	83%		7/8/9/10	High stress tolerance	92,0%
8/9	Results-oriented	81,1%		7/8/9/10	Optimistic	92,0%
8/9	High stress tolerance	81,1%		7/8/9/10	Independence	92,0%
10	Energy	79,3%		7/8/9/10	Self-confidence	92,0%

Table 19. Most important competencies divided into sectors

Remarks: Based on respondents answering great and very great importance. Tasks are coloured to ease comparison

From table 19 (above) when comparing private and public sector managers there is close agreement concerning five-six most important competencies in their management positions. The public managers all (all 100%) totally agree on the top three most important and the subsequent three there is close agreement (all 96%). Even though the private managers agree with their counterparts in the public sector they do not agree in same degree as they do not rank the tasks on the same level. This agreement among both private and public sector managers is another evidence that the two sectors have much in common regarding working circumstances, since managers on both sides see the same competencies as those that are most important in their management position. On the other hand private sector managers have three

competencies inside their top ten rankings that public managers do not have. These are "enthusiasm/vitality", "persistence" and "energy", which all are more important factors in the private sector than in the public sector, whereas those competencies that public managers have inside their top ten rankings and which are left out of their counterparts in the private sector are: "optimistic", "independence" and "self-confidence". These competencies are all fundamental or basic for a person to possess a management position, but it is remarkable that these are not within the top ten ranking list of private sector managers. One reason for this might be that private sector managers see them as a matter of course, whereas public managers see them as important probably because their business circumstances have become more alike the private sector managers´ in recent years.

4.2.3 Managerial style

Managers were asked how they performed their management job. They had eight predefined styles to choose from. The results are showed below (see table 20 below).

1	Through co-operation and participation	82%
2	Through dialog and coaching	67%
3	Through self-governing and self management	50%
4	Trough follow-up and supervision	35%
5	Through acknowledgement and rewards	18%
6	Through attitudes and values	14%
7	Through order and instructions	13%
8	Through rules and directives	10%

Table 20. Managerial style

Remarks: Based on respondents answering highly and very highly

From table 20 (above) it is evident that managing style "through co-operation and participation" is the most used management style (82%) followed by "through dialog and coaching", which two thirds agree upon. Half of the respondents support management "through self-governing and self management". When dividing the managerial styles into private and public managers the picture is as follows (see table 21 below):

Private				Public		
No.	**Tasks**	**%**		**No.**	**Tasks**	**%**
1	Through co-operation and participation	76%		1	Through co-operation and participation	96%
2	Through dialog and coaching	59%		2	Through dialog and coaching	84%
3	Through self-governing and self management	47%		3	Through self-governing and self management	56%
4	Through follow-up and supervision	30%		4	Through follow-up and supervision	44%
5	Through acknowledgement and rewards	15%		5	Through acknowledgement and rewards	24%
6	Through order and instructions	13%		6	Through attitudes and values	20%
7	Through attitudes and values	11%		7	Through rules and directives	20%
8	Through rules and directives	6%		8	Through order and instructions	12%

Table 21. Managerial style divided into sectors

Remarks: Based on respondents answering highly and very highly. Tasks are coloured to ease comparison

Table 21 (above) highlights that managers in the private and public sector agree on the five most used management styles. The agreement is in general much higher amongst the pubic sector managers. The management style "through order and instructions" is more common in the private sector (no. 6) than in the public sector (no. 8) even though that the support percentage is practically the same – 13% compared to 12%. However, it must be considered there are twice as many private sector managers as public sector managers in the study (see figure 3, p. 42). From the table above it is clear that the Faroese managers are modern managers that allow employees to take responsibilities for their work and are open for discussing with them too. This is equal for both sectors´ managers.

4.2.4 The manager's powerbase

The managers were asked which of four predefined factors help justify them as a leader. The results follow below (see table 22 below)

1/2	My management competencies	86%
1/2	My personal qualities	86%
3	My results	85%
4	My professional competencies	63%

Table 22. Factors that justify existence as a leader

Remarks: Based on respondents answering great and very great importance

From table 22 (above) the most important factors for managers is their "management competencies" and "personal qualities". These had equal placing (both supported by 86% of the managers). Their "results" mean nearly the same, which is placed as number 3 (85% – only 1% point lower than no. 1/2). Managers agree that their professional competencies are less important compared with the above mentioned three factors as only 63% rated "professional competencies" as having high/very high value. When dividing these factors by sectors the result is as follows (see table 23 below):

Private				Public		
No.	Factor	%		No.	Factor	%
1	My personal qualities	86%		1	My management competencies	100%
2	My results	82%		2	My results	92%
3	My management competencies	80%		3	My personal qualities	88%
4	My professional competencies	65%		4	My professional competencies	58%

Table 23. Factors that justify existence as a leader divided into sectors

Remarks: Based on respondents answering great and very great value. Factors are coloured to ease comparison

From table 23 (above) managers in the private sector agree with their colleagues in the public sector that "their results" and "their professional competencies" are rated as number 2 and 4. On the other hand they do not agree on the rating of "their personal qualities", which managers in the private consider the most important factor (86%) whereas their counterparts in the public sector only prioritize it as number 3 (88%). The same is true when it comes to "their management competencies". Here managers in the public sector consider this factor as the most important one, (100% of all public managers rated this as high/very high). However, their colleagues in the private sector only see this factor as number 3 (80%). It is clear, therefore, that public managers are in greater agreement than managers in the private sector. From the figure above it is evident that Faroese managers do not consider the factor "my professional competencies" as having as high importance as those three ranked factors that are ranked higher. On the other hand the difference between private and public managers is that private sector managers consider "my personal qualities" as being most important whereas the public sector managers consider "my management competencies" as those that are most important. This could indicate that the public sector has greater necessity for organizational changes and adaptation to a recent changeable environment whereas this is daily life in the private sector where "personal qualities" are more important.

Furthermore, the managers were asked among 9 predefined factors what factors give them power of penetration in their management position. The results are outlined below.

1	My attitude and values	78%
2	My personal qualities	77%
3	My results	67%
4	My management experience	65%
5	My professional competencies	58%
6	My power over resources	58%
7	My relationship with others	56%
8	My job and my position	50%
9	My power to punish and reward	12%

Table 24. Factors that gives penetration in management position

Remarks: Based on respondents answering highly and very highly

Table 24 (above) shows that managers' "attitude and values" (78%) together with "their personal qualities" are the most important factors giving them penetration in their management position. Subsequently, "their results" are important (67%) and management experience (65%). The following next prioritized factors are close, but the last one, which is power to punish and reward, is only supported by 12%. Although 12% seems low it is in fact fairly high when it comes to management. This corresponds to every eighth manager supporting this factor. When these factors are divided into sectors the results are as follows (see table 25 below).

	Private				Public	
No.	**Factor**	**%**		**No.**	**Factor**	**%**
1	My attitude and values	80%		1	My personal qualities	92%
2	My personal qualities	70%		2	My results	84%
3	My power over resources	59%		3/4/5	My relationships with others	80%
4/5	My results	58%		3/4/4	My management experience	80%
4/5	My management experience	58%		3/4/5	My attitude and values	80%
6	My professional competencies	57%		6	My professional competencies	60%
7	My job and my position	47%		7/8	My job and my position	56%
8	My relationships with others	45%		7/8	My power over resources	56%
9	My power to punish and reward	13%		9	My power to punish and reward	8%

Table 25. Factors that give penetration in management position divided into sectors

Remarks: Based on respondents answering highly and very highly. Factors are coloured to ease comparison

From table 25 (above) can be seen that the most prioritized factor ("my attitude and values" – 80% for private sector managers) is only ranked as no 3/4/5 by public sector managers, but with the same support (80%). The private manager sees his personal qualities as the second most important factors and the public sector managers sees this as the most important factor. In the private sector "power over resources" is number 3 whereas in the public sector this factor is only ranked as number 7/8. The manager's result is more important in the public sector (no. 2) than in the private sector (no. 4/5). The power to punish and reward has the lowest priority, but it is more common in the private sector (13%) than in the public sector

(8%). From the table above it is evident that Faroese managers are more leadership oriented, especially the public sector managers. The private sector managers have ranked a slightly more management oriented style, e.g. "my power over resources" where as their counterparts in the public sector have their rankings slightly more oriented towards leadership. Despite this managers in both sectors consider fairly similar the factors that give penetration in the management position.

4.2.5 Management tools

The managers were asked which tools among 20 predefined tools they use in their work and which experience they have with the usefulness of these tools. The result (ten most frequent) is showed below (see table 26 below)

1	Plans of action	67,7%
2	Strategic planning	63,0%
3	Goal and results monitory	62,9%
4	Appraisal interview	55,5%
5	Financial management tools	53,1%
6	Education planning	46,5%
7	Staff-/satisfaction investigation	45,6%
8	Customer investigation	42,0%
9	Contract and contract management	41,8%
10	Production operating systems	40,0%

Table 26. Most common and useful management tools

Remarks: Based on respondents answering great and very great value

Table 26 above shows that the most common and useful management tools are "plans of action", followed by "strategic planning" and "goal and results monitory". This is followed by "appraisal interview" and "financial management tools". This ranking shows a tendency towards the more hard tools (management oriented). The difference between managers in the private and public sector is seen below (see table 27 below)

Private				Public		
No.	**Tools**	**%**		**No.**	**Tools**	**%**
1	Plans of action	70,9%		1	Staff-/satisfaction investigation	65,4%
2	Goal and results monitory	69,1%		2	Appraisal interview	61,6%
3	Strategic planning	65,5%		3	Financial management tools	61,5%
4	Appraisal interview	52,7%		4/5	Strategic planning	57,7%
5	Production operating systems	50,0%		4/5	Education planning	57,7%
6	Financial management tools	49,1%		6/7	Contract and contract management	50,0%
7	Customer investigation	49,0%		6/7	Goal and results monitory	50,0%
8	Education planning	38,1%		8	Project management tools	46,1%
9	Contract and contract management	37,0%		9	Plans of action	41,5%
10	Staff-/satisfaction investigation	36,4%		10	Quality systems	34,6%

Table 27. Most common and useful management tools divided into sector

Remarks: Based on respondents answering great and very great value. Tools are coloured to ease comparison

From table 27 (above) it is evident that there is great difference in the importance placed on different management tools by the private and public managers. The tool private managers prioritize as number 1 is only prioritized as number 9 by public sector managers. The second most popular management tool in the private sector is "goal and results monitory" and this does only achieve number 6/7 in the public sector. Another remarkable difference is that the private managers prioritize "staff-/satisfaction investigation" lowest, whereas the public managers prioritize this the highest. Furthermore, two tools private managers use ("production operating systems" and "customer investigation") are not among the valued tools between the public managers. This is not surprising, however, the tools rated highly by public managers and that are not found in the results for private sector managers are project management tools and quality systems. However, these are tools that are normally more connected to private business than the public sector. It is clear from the table above, that private sector managers rank management related tools higher than their colleagues in the public sector. Judged by this ranking it is evident that private sector managers are much more management oriented whereas the public sector managers are much more leadership oriented.

4.2.6 Main challenges in the years to come

The participating managers were asked to ascribe what importance 30 predefined tasks would have for them over the next 2 – 3 years. The result (15 most frequent) is showed below (table 28):

1	Develop and retain good employees	94,9%
2	Recruitment of qualified employees	91,0%
3	Make working processes more effective	84,5%
4	Raise knowledge and competence level	83,4%
5/6	Value-based management	83,3%
5/6	Adopt new technology	83,3%
7	Ensure the company's/institution's competitiveness	80,8%
8	Social responsibility	79,5%
9/10	Product or service development	76,9%
9/10	Quality development and quality management	76,9%
11	Improvement of customer satisfaction or customer loyalty	74,4%
12	Improve co-operation across the organization	74,3%
13	Risk- and safety management	66,7%
14	Co-operation with other companies, institutions etc.	64,1%
15	Goal and results monitory/contract control	62,9%

Table 28. Main challenges in the years to come

Remarks: Based on respondents answering great and very great importance

Table 28 (above) shows that the managers find relations with employees to be the most important management challenge in years to come. "Develop and retain good employees" and "recruitment of qualified employees" are found to be the most important management challenge. This is followed by "make working processes more effective" and furthermore other employee challenges, namely "raise knowledge and competence level" and "value-based management". Therefore, employee matters are evidently the greatest management challenge. Not until number 5/6 are a technology-based challenges ("adopt new technology"). Number 3 ("Make working process more effective") can be both human and technology related. The difference between managers in the private and public sector is illustrated below (table 29):

	Private				Public		
No.	**Challenge**	**%**		**No.**	**Challenge**	**%**
1	Develop and retain good employees	96,0%		1/2/3	Recruitment of qualified employees	96,0%
2	Ensure the company's/institution's competitiveness	90,5%		1/2/3	Raise knowledge and competence level	96,0%
3/4	Improvement of owners return	88,6%		1/2/3	Adopt new technology	96,0%
3/4	Recruitment of qualified employees	88,6%		4	Develop and retain good employees	92,0%
5	Product or service development	86,8%		5	Mental working environment	84,0%
6	Make working processes more effective	86,5%		6/7/8/9	Co-operation with other companies, institutions etc.	80,0%
7	Value-based management	84,9%		6/7/8/9	Physical working environment	80,0%
8	Improvement of customer satisfaction or customer loyalty	83,0%		6/7/8/9	Value-based management	80,0%
9	Risk- and safety management	79,3%		6/7/8/9	Make working processes more effective	80,0%
10/11	Adopt new technology	77,4%		10	Quality development and quality management	76,0%
10/11	Raise knowledge and competence level	77,4%		11	Organizational development	72,0%
12/13	Improve co-operation across the organization	77,3%		12/13	Time- and resource management	68,0%
12/13	Quality development and quality management	77,3%		12/13	Improve co-operation across the organization	68,0%
14	Goal and results monitory/contract control	73,6%		14	Internationalisation/globalisation	64,0%
15	Co-operation with other companies, institutions etc.	56,9%		15	Social responsibility	60,0%

Table 29. Main challenges in the years to come divided into sectors

Remarks: Based on respondents answering great and very great importance. Challenges are coloured to ease comparison

From table 29 (above) it is evident that the private managers have to take in to consideration the competitiveness (no. 2) and the "improvement of owners´ return" (no. 3) unlike their counterparts in the public sector. On the other hand, private managers prioritize "develop and retain good employees" (no. 1) and "recruitment of qualified employees" (no. 3/4). These are prioritized as number 4 and number 1 by managers in the public sector. There are six challenges among the top fifteen which private managers prioritize but which public sector managers leave out. These are mainly challenges that are more related to private business. However, there are six challenges that are found among the top fifteen for public sector managers. These are primarily related to working environment, both mental (no. 5) and physical (no. 6/7/8/9). One challenge that may seem to be surprisingly to find among the public sector managers and not among the private managers is internationalization/globalization (no. 14). From the table above it is clear and naturally that private sector managers consider business issues to be of great importance, but they are more management oriented too than their counterparts in the public sector, since they prioritizes employee's matters higher.

4.3 Discussion

Overall public sector managers only account for one third of the participants and therefore, they are not weighted as heavily as their colleagues in the private sector, which are represented by two thirds. Furthermore, the managers in the public sector are generally in greater agreement than their counterpart in the private sector. The reason for this might be, that business circumstances in the public sector is more alike than in the private sector. The

private sector covers a great variety of business areas and deals domestically as well as abroad.

In the following a comparison is presented between the above discussed results, their mutual relations and these will be compared with most important issues in the literature review.

4.3.1 The most important management tasks for managers today

The ten most important management tasks out of 27 predefined tasks are found among all managers together. These tasks differ when they are divided into the private and public sector. This shows that there are great differences in how managers in the private and public organizations rank the importance of different tasks. Private managers consider business matters most important whereas public managers consider organizing and personal management most important.

In table 17 (p. 54) the result of the most important management tasks was ranked. In figure 18 (p. 57) the time managers spend on management areas is shown. When comparing these results it shows that there is good coherence between time spent on areas and the tasks mangers rank. In the private sector the highest ranked tasks are "goal and result monitory" and "business development" (see table 17, p. 54) and from figure 18 (p. 57) the time private managers use most time to is "goal and results monitory" and "business development". Managers in the public sector rank tasks as "co-ordinating", "organizing" and "delegating" (see table 17, p. 54) and in management areas most time is spent on "administration and organization", which covers 43% of the time (see figure 18, p. 57). On both side there seems to be good correlation between the tasks managers consider to be most important and the time they spend on this area. In other tasks compared to the time spent on the area, there is not as good correlation, e.g. the private sector managers rank "motivation of others" and "staff satisfaction" as next, but this is the area they spend less time on. Very much the same is concerning public managers in the same issues. Here seems to be some conflict between tasks managers find most important and the time they spend on the same area. In a management there is not always coherence between what should have been done (wishes) and what really is being done. This is likely to be a matter of resources and prioritizing.

When comparing same the tasks (see table 17, p. 54) but instead of with time spent on management activities (see figure 20, p. 58) that activity that both managers from public and private sector use most time to is "own tasks" ("behind writing desk", which are such as

planning, analysis, reflection, notes, reports etc.) there is good coherence between what tasks are prioritized and which management activities managers spend their time on.

When comparing the most important tasks (see table 16, p. 54) with studies in other countries it is remarkable to see that of ten most important tasks in this study, seven of these are found in the Danish study (Hildebrandt, 2005a) conducted last year (see table 1, p. 19). Both studies have "motivation of others" as the most important management task, "staff satisfaction" as number 4 (FO) and number 3 (DK), "co-ordinating" as number 5 (FO) and number 6 (DK), "delegating" as number 7 (FO) and number 5 (DK). In general these results are fairly similar except that the Faroese number 10 ("Planning") is number 2 in the Danish study. Those tasks that was not ranked among the 10 most important tasks in this study compared with the Danish is: "business development" (no. 2/3), "organizing" (no. 6) and "formulation of vision and strategy" (no. 8), which are all more management related. On the other hand those that were in the Danish study and not in this study are: "development of staff members" (no. 4), "guidance/coaching" (no. 8) and "information processing" (62%). The first two mentioned are more leadership oriented, whereas the last mentioned is more management oriented. When comparing Faroese managers with Danish managers several important management tasks emerge, but there seems to be a slight tendency that Faroese managers are slightly more management oriented than their Danish counterparts.

Compared with the study in England (Egbu, 1999) (see part 2.2, p. 18), there are also many similarities. However, the UK study is not ranked in the same details as the Danish one, mentioned above. Despite this management tasks seem to be the same whether conducted in UK, Denmark or in Faroe Islands, even though the circumstances are very different.

4.3.2 The main competencies a manager must have to solve tasks satisfactorily

It was highlighted in the literature review (see part 2.3, p. 20) that behavioural competencies are important skills a manager must hold. This is what studies in Denmark show. One study conducted in 2003 (Hildebrandt et al, 2003) shows that managing and motivating employees is much more about the manager's attitudes to persons than having the right tools available.

This study shows that Faroese managers agree on which are the most important competencies in their management position (see table 19, p. 59). Both private and public managers share

this view. Faroese managers consider "credibility", "interpersonal skills" and "responsibility" to be the three most important competencies. This is consistent with findings from Denmark (Hildebrandt, 2005a). Furthermore, seven of the top ten competencies are the same when comparing Danish and Faroese managers (see table 2, p.21). The two countries differ on the Faroese top ten: "enthusiasm/vitality" (no. 6), "result-oriented" (no. 7/8) and "persistence" (no. 9) whereas the Danish managers had included: "resolute" (no. 4) and "energy" (no. 5). However, the difference in Faroese and Danish managers is mainly due to Faroese managers leaving out more personal skills, such as "enthusiasm/vitality" and "persistence", whereas "result-oriented" is more management oriented. On the other hand those competencies that Danish managers prioritize are: "resolute" and "energy", where the first mentioned is more management oriented and the last one more characterized as a personal skill.

In terms of competencies Faroese and Danish managers on the whole agree.

4.3.3 The main managerial style

Just as with the main competencies above Faroese managers agree on which managerial style they perform (see table 21, p. 61). The most frequent style is: "through co-operation and participation", "through dialog and coaching" and "through self-governing and self management". These most frequent ways of managing is fairly coherent with the most important competencies mentioned above. Furthermore, it is coherent with the most important management tasks (see table 16, p. 54) and as well as the factors managers see as justifying their existence as a leader (see table 22, p. 61) together with factors that gives penetration in the management position (see table 24, p. 63) and main challenges in the years to come (see table 28, p. 66) too. However, when considering the most common and useful management tools (see table 26, p. 64) there seems to be a lack of coherence since these are more management oriented, e.g.: "plan of action" (no. 1), "strategic planning" (no. 2) and "goal and results monitory" (no. 3). On the other hand there is more coherence between the most frequent managerial style and most common and useful management tools public managers perform (see table 27, p. 65).

From the literature review (see 2.4, p. 21) there are several studies that present the Scandinavian way of managing as a unique model. Studies show, e.g. Rambøll (2004), that modern companies earn on average two-three times as much as traditional companies. Scandinavian countries are also among the most competitive nations in the World and they are the countries that are most willing to delegate responsibility. Furthermore, studies show

that management styles which are more competencies-based create a positive overall impact on the climate in the organization.

How is Faroese management according to these important factors etc.? One way is to compare with the Danish study conducted last year (Hildebrandt, 2005a). This study has found that the three most frequent management styles are: "through co-operation and participation", "through dialogue and coaching" and "through self-governing and self management". The two most frequent in the Danish style are the same as the Faroese, whereas the Danish no. 3 is: "through attitudes and values", which is number 6 in the Faroese study. The remaining 5 frequent managerial styles are practically the same (see table 6, p. 26). From this point of view the Faroese managers have many similarities with their Danish colleagues in terms of management style.

When comparing the Faroese **management style** with other findings in this study, the key findings are as follows:

- **Most important management tasks**: There is some statistical significant correlation, but it is greater among the public sector managers than among the private sector managers.
- **Most important competencies**: There is a good statistical significant correlation here too.
- **Factors that justify existence as a leader**: There is a good statistical significant correlation here too.
- **Factors that gives power of penetration in the management job**: A good statistical significant correlation here too.
- **Most common and useful management tools**: Here is a lack of statistical significant correlation, but public managers have more correlation than their private counterparts.
- **Main challenges in the years to come**: There is a fairly good statistical significant correlation with the most common management styles and the main challenges in the years to come.

When comparing the Danish/Scandinavian management style with these Faroese findings there are many similarities especially as regarding managers in the public sector. In general Faroese managers tend to be a little bit more management-oriented than their Danish/Scandinavian counterparts.

4.3.4 The manager's powerbase

According to the literature review (Armstrong, 2003) (see 2.5, p. 28) a manager has a legitimized power, however, there appears to be a general move to more person-based power. This can partly be seen in the study among Faroese managers as they have three factors that are equally placed (see table 22, p. 61). These are: "my management competencies", "my personal qualities" and "my results". "my professional competencies" was ranked as having the least importance. Compared with the Danish study conducted last year (Hildebrandt, 2005) the ranking is fairly equal, except that "my personal qualities" in Denmark was clearly ranked as number 1 (see table 8, p. 28).

Another issue when considering the managers powerbase are the factors that give the manager power of penetration. The Faroese study showed that "my attitude" (no. 1), "my personal qualities" (no. 2), "my results" (no. 3), "my management experience" (no. 4) and "my professional competencies" (no. 5) were those factors that had greatest importance. In the Danish study from 2005 the top five were the same with a little difference in ranking except "my management experience", which was replaced by "my relationship with others".

When comparing the Faroese managers´ factors that justify their existence as a leader and factors that gives them penetration in their management job they are quite similar to their Danish colleagues even though there are some differences. These are mainly in how "my personal qualities" have been ranked. Danes rank this as number 1, both in justifying them as a leader and in factors that give penetration. The Faroese managers rank this quality as number 1 and number 2 respectively, only one percent point from number 1. However, there are different rankings when dividing these qualities in the private and public sector (see table 23, p. 62 and table 25, p. 63).

This shows that there are great similarities between Faroese and Danish managers concerning factors of importance to the manager's powerbase.

4.3.5 The most important management tools

There are many management tools, however, they have to be handled with care. The difference between the private and public sector is probably greatest in this area as the business circumstances are so different. In this study great difference occurred not so much in terms of which tools, but more in how these were tools were ranked (see table 27, p. 65).

When comparing managers in the private sector in the Faroese study (see table 27, p. 65) with their Danish counterparts (see table 10, p. 30), the top five Faroese management tools were: "plans of action" (no. 1), "goal and result monitory" (no. 2), "strategic planning" (no. 3), "appraisal interview" (no. 4) and "production operating systems" (no. 5). The corresponding Danish tools were: "staff-/satisfaction investigation", "plans of action" and "appraisal interview" (all no. 1), "strategic planning" (no. 4) and "financial planning" (no. 5).

Three of the top ten tools in the Faroese study were not to be found in the top ten in the Danish study. These were: "goals and results monitory" (no. 2), "customer investigation" (no. 7) and "contract and contract management" (no. 9). The Danish study on the other hand contained these three: "payment-by-results" (no. 7), "project management tools" (no. 8) and "quality systems" (no. 10). This little difference compared with the above mentioned many similarities show that private managers in Faroe Islands and Denmark have most similarities. Those tools that were left out on both sides were mostly lower ranked and were more management-oriented.

When comparing the public sector the top five in this study were: "staff-/satisfaction investigation" (no. 1), "appraisal interview" (no. 2), "financial management tools" (no. 3), "strategic planning" (no. 4/5) and "education planning" (no. 4/5). The corresponding Danish tools were: "Appraisal interview" (no. 1), "plans of action" (no. 2), "education planning" (no. 3) and "payment-by-results" together with "strategic planning" (both as no. 4). Only two tools were found in this study, which were not in the Danish study. These were: "contract and contract management" (no. 6/7) and "goal and results monitory" (no. 6/7). On the other hand: "payment-by-results" (no. 4/5) and "production operating systems" were not in the Faroese study.

These differences show that public sector managers in the Faroe Islands and Denmark have most similarities when comparing management tools.

4.3.6 The main challenges top managers face in the years to come

The top six main challenges in this study are (see table 28, p. 66): "develop and retain good employees" (no. 1), "recruitment of qualified employees" (no. 2), "make working processes more effective" (no. 3), "raise knowledge and competence level" (no. 4) and "value-based management" together with "adopt new technology" (both no. 5). The six highest ranked challenges are mainly leadership oriented as no. 1, 2, 4 and no. 5 (value-based management)

are categorized as such. The corresponding top five challenges in the Danish study were: "develop and retain good employees" (no. 1), "ensure the company's/institution's competitiveness" (no. 2), "physical working environment" (no. 3), "raise knowledge and competence level" (no. 4) and "improvement of customer satisfaction or customer loyalty" (no. 5). These challenges are more management oriented as no. 2, 3 and 5 can be categorized as such.

This comparison shows that from the top five most important management challenges faces Faroese managers as more leadership oriented than their Danish colleagues, who on the other hand consider the future more management oriented. When taking in consideration the new examination in Denmark from 2006 (see part 2.7, p. 31) the Faroese managers seem to be well prepared to face the future especially the public sector managers.

4.4 Conclusion

The respondent profile is a man, 48 years old, higher educated (4 years or longer), been in 1,15 managerial jobs, 12,14 years in present job, been manager in 16,2 years, has 109 employees with 15,96 staff members reporting directly. There is some spread especially managers in the private in average are 6 years younger, and the highly educated managers are primarily in the public sector.

The most important management tasks are found, but they differ in ranking between private and public managers. On the other hand private and public managers seem to agree on the main competencies and the ranking too. It points in the same direction when studying managerial style. The opposite exists when comparing the manager's powerbase and to a high degree comparing factors that give penetration in the management position. Management tools are most common and are usefully agreed upon, but not in ranking. Almost the same exists when comparing main challenges in the years to come.

When comparing managerial style with other issues found in this study there are more or less statistical significant correlation between all other areas, such as most important management tasks, factors that justify existence as a leader, factors that give power of penetration in the management job and main challenges in the years to come, whereas there are not correlation between managerial style and most common and useful management tools. This is remarkable as one should believe that this was an area where most common and useful management tools could support the other areas, but on the other hand the most management-oriented tools are

more visible and easier as documentation, at least in the short run. The reason for this might be that Faroese managers are developing from more management-oriented management to be more leadership-oriented, but the management style is not keeping up with the other areas.

Faroese managers are much alike their Danish/Scandinavian counterparts in most management area. They are slightly more management-oriented, but this is probably due to the issue that they are some years behind the development.

5 Conclusion and recommendations

The final chapter concludes the study and looks at the key findings and how these relate to the author's initial assumptions from the literature. Furthermore, it is revealed whether this study answered the research questions and fulfilled the objectives outlined in chapter one. Subsequently the limitations of this study are considered together with strengths and weaknesses and lastly the implications for future research.

5.1 Key findings

The research set out to explore the competencies of top managers in the Faroe Islands.

A survey based on the research questions was sent to 94 private and public sector managers that had 30 employees or more. 81 returned the questionnaire, which is a response rate of 86%. The key findings from this research are that Faroese managers are quite young, mostly men, fairly well educated. It is especially managers in the public sector who have limited experience from other management jobs. Furthermore, most of the organizations were small to medium-sized.

The most important management tasks are employee related, business-related and of organizational matters, however, this differed when comparing private and public managers. Private managers attach more importance to private business tasks, such as "goal and result monitory" and "business development" whereas public managers prioritize organizational matters such as "co-ordinating", "organizing" and "delegating". When it comes to staff relations such as "motivation of others" and "staff satisfaction" both private and public managers agree that these tasks are those that follow. The reason for this difference might be that private mangers have to make a profit to survive and therefore, consider these tasks to be the most important areas. It would appear that private managers have not yet discovered that staff satisfaction etc. contributes to better job satisfaction and results in higher profit in the long run. There is a shift from management-related tasks to more leadership-oriented tasks that take time and this might in the short term result in less profit during the process of change, however, afterwards it will turn to a higher profit level. Most likely private managers have just started this process. Public sector managers on the other hand consider organizational matters as being the most important factor. This might be due to the change in the public sector through New Public Management where public sector managers have to deal with many of the same issues as the private sector managers. The public sector in the Faroe

Islands will most likely find itself in the middle of this change. Therefore, it is necessary to prioritize organizational tasks, but as well as the private sector managers prioritize employees´ tasks, such as "motivation of others" and "staff satisfaction" as the second most important area.

When looking at the most important competencies private and public sector managers both agree that the following competencies are important: "credibility", "interpersonal skills", "will", "responsibility" and "confidence in others". This indicates that the managers believe in competencies that are HR-based or leadership-oriented. This is normally considered to be a more modern managerial way of managing.

Some of the most common managerial styles are: "through co-operation and participation", "through dialogue and coaching" and "through self-governing and self management". This shows that private and public sector managers find the same factors to be of importance. This could be a proof of the fact that managerial circumstances are fairly similar. These managerial styles can all be considered leadership-orientated.

When it comes to the manager's powerbase both sectors are fairly similar. The only factors they do not agree upon are "my persona qualities" and "my management competencies". The reason for this might be that private sector managers have clarified their organizational issues and consider "personal qualities" as being the most important factor whereas public sector managers consider "management competencies" as being of the most importance. This might be due to the change in the public sector that managers that can cope with organizational issues will be considered as good managers and achieve greater power or respect. Furthermore, factors that give penetration in management position are considered practically to be the same for both private sector and public sector managers. There are some differences in the ranking. The difference is mainly that private sector managers rank management tasks slightly higher than their counterparts in the public sector.

In terms of management tools private and public sector managers differ most. Not surprisingly private sector managers attach weight to more private business related tools whereas public sector managers attach more importance to employee matters. On the other hand, surprisingly, those tools public sectors have ranked among the ten most important tools are normally considered belonging to the private sector such as: "project management tools" and "quality systems". The reason for this might be that there is a great demand on public sector managers to manage effectively and efficiently with fewer financial resources. This

puts pressure on public sector managers forcing them to find ways to overcome this situation. Therefore, they turn to tools they know are effective.

The main challenge managers face in years to come are different among both sectors. Both sector managers agree that "develop and retain good employees" and "recruitment of qualified employees" are important challenges, as both parts rank this among the four most important challenges. Having said this, there is a significant difference between private and public sector managers concerning tools and ranking. Private sector managers have mainly prioritized tools which are more business and management-related whereas public sector managers pay great attention to employees, thus showing they are more HR or leadership-oriented. This might be due to the fact that public managers have limit financial resources, are better educated and therefore know which area make return in the long run.

In order to determine wheather there is coherence between the most important management factor – the managerial style – and others factors a comparison is made in chapter four. This shows that there is a statistically significant correlation between managerial style and the most important management tasks, most important competencies, factors that justify existence as a leader, factors that gives power of penetration in the management position and main challenges managers face in years to come. In most cases public sector managers do well (greater coherence) compared with private sector managers. On the other hand, there is a lack of statistical correlation between managerial style and management tools. The reason for this might be that both sector managers find themselves in a changing role from more management-oriented to more leadership-oriented and they have not adapted their managerial style to the new situation.

The author's assumptions from the literature review was that Faroese managers find them selves in a management situation in between the Danish culture. Faroese management culture has its roots in the fishing industry where captains were considered to be the "real" managers. Faroe Islands belong to Denmark and there are close relations between the countries. Furthermore, most Faroese people achieve their higher education in Denmark.

Since formal requirements are in the public sector to management positions another assumption was that managers from the public sector ought to be more influenced by the Danish culture than the private sector managers, since they do not have these same formal educational requirements and therefore, most likely, are not so highly educated. These

assumptions proved correct, however, the author did not anticipate that there were so many similarities between Faroese managers and Danish/Scandinavian managers.

Another assumption was that the Scandinavian/Nordic way of managing is considered worldwide to be a unique way of managing. The Faroe Islands belong to the Nordic countries therefore, one could expect some similarities. One could, none the less expect some differences as the Faroese management culture is younger and operates in smaller organizations. However, this was not the case as Faroese managers proved to have many similarities with their counterparts in Denmark/Scandinavia. This was due to which tools and factors that have greatest importance in their management position, though Faroese public managers have more similarities with their counterparts in Denmark than their private sector counterparts in the Faroes. This proofs that managerial style is culture-embedded and is also influenced by education and other social circumstances. Furthermore, it can be stated from this study that the current managerial style in the Faroe Islands is a style that is culture-embedded with influence from Denmark/Scandinavia where Faroese private managers have greater influence from the Faroese culture whereas the Faroese public managers have some influence from Denmark/Scandinavia in addition.

5.2 Research questions/objectives

The following discussion determines whether the research questions (see part 1.2, p. 9) were answered and whether the objectives of the study have been met (see part 1.1, p. 8). The completion of the research has shown that the respondents have answered those questions that were connected to the research questions and objectives. These were: the main challenge top managers face today, which are the most important management tasks for managers today, which are the main competencies a manager must have to solve tasks satisfactorily, what is the managerial style, the managers power base and which management tools are in use together with what are the main challenges for managers in years to come. These research objectives and questions have been answered and it has been possible to establish that Faroese management is mostly culture-embedded.

5.3 Limitations

There were some limitations to the study. These are mainly:
- Too few female respondents (only five).
- The study is not taking in consideration demographic proportions.

The strengths of this study are that the response rate was high (86 %) and the questionnaire was answered properly. The literature review underpins the research instrument (questionnaire) well and there is good coherence between the research questions/objectives and the questionnaire.

One of the weaknesses of this study might be that the questionnaire was designed to meet the requirements of both private and public sector managers. Therefore, some questions were more relevant for one sector than another. However, based on the coding work there is no evidence of that.

5.4 Recommendations – Academic research

Top management has many facet or angels. One angel that could be recommended to conduct further research on could be to find out how relationship is between private sector managers and their board of directors and public sector managers and their superior (the minister and/or the ministry)? Furthermore it could be looked at how private and public sector managers are doing compared with the results they achieve? Another important area to study could be how private and public sector managers are evaluated by their superior?

Another focus area could be the manager's circumstance such as how are private and public sector managers´, wages, careers, working conditions, family and spare time conditions?

This study could be followed-up by making research in the same organizations, but including all management levels to find out how different management levels are and how their co-operation etc. are. Furthermore, this study could be followed-up by qualitative interviews among selected managers from both sectors to find if there is any coherence between ways of managing and economic results.

6 References

Aghazadeh, S-M. (2003). The future of human resource management. *Work Study*, Vol. 52, No. 4, pp. 201 -207.
URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emeraldfulltextarticle/pdf/0790520404.pdf
[Accessed: 05/04/2006]

Armstrong, M. (2003). *A Handbook of Human Resource Management Practice* (9th edition). Kogan Page, London.

Arnold, J., Cooper, C.L. and Robertson, I.T. (1998). *Work Psychology – Understanding Human Behaviour in the Workplace* (3rd edition). Prentice Hall, England.

Barzelay, M. (2001). *The New Public Management – Improving Research and Policy Dialouge*. University of California Press.

Beloucif, A. (2003). Topic 7: Access to Organisations. Study guide. Robert Gordon University.

Bogorya, Y. (1988). A Multi-Level Approach to Training. *Industrial & Commercial Training*, Jan/Feb. 1988, Vol. 20 Issue 1, p. 10 – 12.
URL:http://web1.epnet.com/externalframe.asp?tb=1&_ug=sid+1DEC8F5A%2D882B%2D41BC%2D903C%2D22BABAA4601F%40sessionmgr5+dbs+buh%2Cbwh%2Cecn+cp+1+BE12&_us=sel+False+ss+SO+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+frn+1+sm+ES+sl+%2D1+dstb+ES+mh+1+ri+KAAACBVA00039122+1FF5&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagerial++style+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+ECF9&fi=buh_4625903_AN&lpdf=true&pdfs=277K&bk=C&tn=2&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D4625903%26rn%3D2%26db%3Dbuh%26is%3D00197858%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DIndustrial%2B%2526%2BCommercial%2BTraining%26year%3D1988%26bk%3DC&fn=1&rn=2& [Accessed: 05/04/2006]

Boyatzis, R.E. (1982). *The competent manager*. John Wiley & Sons, Inc., New York.

Brend, S. (2005). Føroyar og Ísland sum eitt búskaparøki ("The Faroe Islands and Iceland one economic area"). Interview with Icelandic minister for foreign affair and the Faroe Prime Minister. Sosialurin 1st September 2005. **URL**: http://www.sosialurin.fo/publish.dps?E=2158&S=1&Article-=78934 [Accessed 05/09/2005]

Buckingham, A. and Saunders, P. (2004). *The Survey Methods Workbook*. Polity Press Ltd., Cambridge.

Burns, R.B. (2000). *Introduction to research methods* (4th edn.). Sage Publications Ltd., London.

Business-Line (2006). Fyritøkur, sum hava meira enn 30 fólk í starvi ("Enterprises with more than 30 employees"). Busienss-line. URL: http://www.business-line.fo/Leitiurslit.asp?HvatSlag=LeitaUpplys&PfNr=-&Navn=&Gota=&PostNr=&Oki=-&Tlf=&Telef=&EMail=&www=&Slag=P%2FF&PartapeningurFra=&Parta-peningurTil=&StarvsfolkFra=30&StarvsfolkTil=2000&Stjorn=&Nevnd=&Grandskodari=&V1=&B1.x=11&B1.y=7 and URL: http://www.business-line.fo/-Leitiurslit.asp?HvatSlag=LeitaUpplys&PfNr=&Navn=&Gota=&PostNr=-&Oki=&Tlf=&Telef=&EMail=&www=&Slag=SP%2FF&PartapeningurFra=&PartapeningurTil=&StarvsfolkFra=30&StarvsfolkTil=2000&Stjorn=&Nevnd=&Grandskodari=&V1=&B1.x=15&B1.y=7 [Accessed: 14/01/2006]

Cheetham, J. (2003). *Study Guide: Managing People*. Robert Gordon University, Aberdeen.

Draganidis F. and Mentzas, G. (2006). Competency based management: a review of systems and approaches. *Information Management & Computer Security*, Vol. 14, no. 1, 2006, pp.51 – 64.
URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emerald-fulltextarticle/pdf/0460140104.pdf [Accessed: 15/03/2006]

Egbu, C. O. (1999). Skills, knowledge and competencies for managing construction refurbishment works. *Construction Management and Economics*, Jan1999, Vol. 17 Issue 1, p29-43.
URL:http://web12.epnet.com/externalframe.asp?tb=1&_ug=sid+8C0E05BE%2DEC72%2D4B04%2DB597%2DD9F4A4EA2928%40sessionmgr4+dbs+buh%2Cbwh%2Cecn+cp+1+E072&_us=mh+1+frn+1+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+sel+False+ri+KAAACBUB00035611+94C9&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DTX+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagement++tasks+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+8A58&fi=buh_1576476_AN&lpdf=true&pdfs=1.3MB&bk=C&tn=5&tp=CAP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D1576476%26rn%3D4%26db%3Dbuh%26is%3D01446193%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DConstruction%2BManagement%2B%2526%2BEconomics%26year%3D1999%26bk%3DC&fn=1&rn=4& [Accessed: 04/04/2006]

Fíggjarmálaráðið (2005) (Ministry of Finance). Løgtingsfíggjarlóg– Tekstur og viðmerkingar (dagførd) ("The Budget – text and comments (updated)"). Fíggjarmálaráðið, Tórshavn

Fíggjarmálaráðið (2006) (Ministry of Finance). Lønarjáttanir fyri Rakstrarjáttanir og Landsfyritøkur í 2005 (Wage appropriation for running appropriation and state enterprise in 2005)

Føroya Kommunfelag (2006). The homepage of the smaller municipality association.
URL: http://www.fkf.fo/ [Accessed: 04/01/2006]

Føroya Landsstýri (Faroese Government) (1999). *Útbúgvingarpolitikknevndin – Føroyskur Førleiki* ("Education policy committee – Faroese qualification"). Føroya Landsstýri, Tórshavn.

Føroya Landsstýri (2005). *Løgmansrøðan 2005* (The speech from the throne by the Prime Minister 2005). Føroya Landsstýri, Tórshavn.

Føroya Landsstýri (2006a). *Visjón 2015 ("Vision 2015")*. URL: www.visjon2015.fo [Accessed: 23/02/2006]

Føroya Landsstýri (2006b). Lógarsamling (Body of Laws). Anordning nr. 248 af 3. maj 1993 om ikrafttræden for Færøerne af lov om visse selskabers aflæggelse af årsregnskab m.v. (Annual accounts Act). Føroya Landsstýri, 2006.
URL: http://www.logir.fo/system/foframe.htm [Accesed: 10/01/2006]

Føroya Tele (2006a) (Faroese Telecom). Search machine for homepages, e-mail etc.
URL: http://www.olivant.fo/ [Accessed: 10/01/2006]

Føroya Tele (2006b) (Faroese Telecom). Search machine for telephone numbers etc.
URL: http://www.nummar.fo/ [Accessed: 10/01/2006]

Føroya Tele (2006c) (Faroese Telecom). Search machine for companies etc.
URL: http://www.gulu.fo/ [Accessed: 10/01/2006]

Goleman, D. (2000). Leadership that gets results. *Harvard Business Review*, Mar/Apr 2000, Vol. 78 Issue 2, p78-90.
URL:http://web18.epnet.com/externalframe.asp?tb=1&_ug=sid+0CA00655%2DB355%2D4039%2DA474%2D521A7A427683%40session mgr6+dbs+buh%2Cbwh+cp+1+451D&_us=mh+1+ss+SO+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh+fh+False+frn+1+sm+ES+sl+ %2D1+dstb+ES+sel+False+ri+KAAACB1B00012429+C51A&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAU+tg%5B0+%2DTI+st%5 B2+%2D+st%5B1+%2DGoleman+st%5B0+%2DLeadership++that++gets++results+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2 DAnd+op%5B1+%2DAnd+op%5B0+%2D+95F9&fi=buh_2839618_AN&lpdf=true&pdfs=5.5MB&bk=C&tn=1&tp=CAP&es=cs%5Fclien t%2Easp%3FT%3DP%26P%3DAN%26K%3D2839618%26rn%3D1%26db%3Dbuh%26is%3D00178012%26sc%3DR%26S%3DR%26D %3Dbuh%26title%3DHarvard%2BBusiness%2BReview%26year%3D2000%26bk%3DC&fn=1&rn=1& [Accessed: 08/04/2006]

Hart, C. (1998). *Doing a Literature Review*. SAGE Publications Ltd, London

Hildebrandt, S. (1995). *Management Leksikon ("Management encyclopaedia")*, 2nd edition. Børsen Bøger, Copenhagen.

Hildebrandt, S. et al (2002). *Det danske ledelsesbarometer. Dansk ledelse anno 2002 – Statusrapport ("The Danish management barometer. Danish management in the year of 2002 – Status report")*

URL: http://www.lederne.dk/pdf/StatusRapport2002-Pd.pdf [Accessed 03/09/2005]

Hildebrandt, S. et al. (2003). Det uforløste potentiale – 10 udfordringer til dansk personaleledelse ("The unreleased potential – 10 challenges to Danish personal management"). *Mandagmorgen,* Huset Mandag Morgen A/S, Copenhagen.

URL: http://www.mm.dk/filer/personaleledelse_rapport.pdf [Accessed 08/08/2005]

Hildebrandt, S. et al (2005a). *Det danske ledelsesbarometer. Dansk ledelse anno 2005 – Statusrapport ("The Danish management barometer. Danish management in the year of 2005 – Status report")*. Handelshøjskolen I Århus (Aarhus School of Business) & Ledernes Hovedorganisation (The managers central organization).

URL: http://www.lederne.dk/pdf/Det%20Danske%20Ledelsesb.pdf [Accessed 14/09/2005]

Hoffmann, T. (1999). The meanings of competency. *Journal of European Industrial Training* 23/6-1999 pp. 275 – 285. MCB University Press.

URL:http://web1.epnet.com/externalframe.asp?tb=1&_ug=sid+3A5B9433%2DBBEA%2D4C8F%2D90F9%2DD18D66A88030%40session mgr4+dbs+buh%2Cecn+cp+1+E91F&_us=frn+1+hd+False+hs+False+or+Relevance+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+mh+1 +ri+KAAACBVA00009674+EEC7&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dd efinition+st%5B0+%2DCompetencies+db%5B1+%2Decn+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+E 6F9&fi=buh_2589929_AN&lpdf=true&pdfs=1.1MB&bk=C&tn=198&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3 D2589929%26rn%3D2%26db%3Dbuh%26is%3D03090590%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DJournal%2Bof%2BEurop ean%2BIndustrial%2BTraining%26year%3D1999%26bk%3DC&fn=1&rn=2& [Accessed: 20/11/2005]

Horton, S. (2000). Introduction – the competency movement: its origins and impact on the public sector. *The International Journal of Public Sector Management*, Vol. 13, no. 4, 2000, pp. 306-318.

URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emerald-fulltextarticle/pdf/0420130401.pdf [Accessed: 15/03/2006]

Jensen, P-E. D., (2004). Ledelsesværktøjer skal omgås med forsigtighed ("Management tools must be handled with care"). *Mandag Morgen* nr. 25, 9. august 2004 (p. 33-34)

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c8525-6207004f45a9/7b44a4824a7710dec1256efa00331405/$FILE/252-00409.pdf [Accessed 08/08/2005]

Keiding, P. (2002). Medarbejdere er godt tilfredse med deres ledere ("Employees are well pleased with their managers"). *Mandag Morgen* no. 1, 17th January 2002, pp. 44 – 48.

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/b556c871fa2ec254c1256ad500441b31/23d50096d5b18875c1256bc0002f3228/$FILE/0120002 07-.pdf [Accessed: 08/04/2006]

Kommunusamskipan Føroya (2006). The homepage of the bigger municipality association. URL: http://www.ksf.fo/ [Accessed: 04/01/2006]

McLagan, P. A. (1997). Competencies: The Next Generation. *Training & Development*, May 1997, pp. 40 – 47.

URL:http://web105.epnet.com/externalframe.asp?tb=1&_ug=sid+46B2D2DA%2D504A%2D4BE5%2D968D%2D57403E5B229F%40sessi onmgr5+dbs+buh%2Cecn+cp+1+7720&_us=mh+1+frn+1+sl+%2D1+hd+False+hs+False+or+Date+fh+False+ss+SO+sm+ES+mdbs+buh% 2Cecn+dstb+ES+sel+False+ri+KAAAGEDB00164333+3A83&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2D+tg%5B0+%2DTI+st%5B2+ %2D+st%5B1+%2D+st%5B0+%2DCompetencies%3A++%22the++next++generation%22+db%5B1+%2Decn+db%5B0+%2Dbuh+op%5B 2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+68AB&fi=buh_9705205906_AN&lpdf=true&pdfs=1.9MB&bk=R&tn=1&tp=CAP&es=c s%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D9705205906%26rn%3D1%26db%3Dbuh%26is%3D10559760%26sc%3DR%26S %3DR%26D%3Dbuh%26title%3DTraining%2B%2526%2BDevelopment%26year%3D1997%26bk%3D&fn=1&rn=1 [Accessed: 24/03/2006]

Lederne (2005). Homepage for The Danish Association of Managers and Executives in Denmark.

URL: http://www.lederne.dk/Ledelse/Det_Danske_Ledelsesbarometer/Tilmeld_dig_konferencen-.html [Accessed: 05/09/2005]

Lindholm, M.R (2004a). Skandinavisk ledelse kan blive globalt forbillede ("Scandinavian management can be a global ideal"). *Mandag Morgen*, nr. 22, 7. juni 2004.

URL: http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c85256207004f45a9/a5dd0e-7ef70a9283c1256ead004a54c8/$FILE- /22200404.pdf [Accessed 08/08/2005]

Lindholm, M.R. (2004b). Portræt af den skandinaviske leder. ("Portrait of the Scandinavian leader"). *Mandag Morgen*, No. 22, June 2004, pp. 20 – 22.

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/b556c871fa2ec254c1256ad500441b31/c5635e58a70c1411c1256ead004a878a/$FILE/222004 05.pdf [Accessed: 09/04/2006]

Miller, L., Ranking, N., and Neathey, F. (2001). *Competency Frameworks in UK Organizations*, CIPD, London.

Noordegraf, M. (2000). Professional sense-makers: managerial competencies amidst ambiguity. *The International Journal of Public Sector Management*, Vol. 13, No. 4, 2000, pp. 319 – 332.

URL:http://web21.epnet.com/externalframe.asp?tb=1&_ug=sid+8F9E6337%2D53B2%2D4E7D%2DAF50%2D7C61A17DDAF1%40sessio nmgr3+dbs+buh%2Cecn+cp+1+3D0D&_us=sel+False+ss+SO+hd+False+hs+False+or+Date+mdbs+buh%2Cecn+fh+False+frn+1+sm+ES+ sl+%2D1+dstb+ES+mh+1+ri+KAAACBRC00066724+BB07&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2D+tg%5B0+%2DAU+st%5B2 +%2D+st%5B1+%2D+st%5B0+%2DNoordegraaf+db%5B1+%2Decn+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5 B0+%2D+9D39&fi=buh_5498378_AN&lpdf=true&pdfs=86K&bk=C&tn=7&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN% 26K%3D5498378%26rn%3D5%26db%3Dbuh%26is%3D09513558%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DInternational%2B Journal%2Bof%2BPublic%2BSector%2BManagement%26year%3D2000%26bk%3DC&fn=1&rn=5& [Accessed: 26/03/2006]

Rachlin, S. (2002). De bedste topchefers kendetegn: Rekordresultater og personliga ydmyghed ("Best top mangers characteristic: record results and personal humility"). *Mandag Morgen* No. 3, Jauary 2002, pp. 29 – 33.

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c85256207004f45a9/7bad8e96404bd242c1256bc00033fc61/$FILE/032002 07.pdf [Accessed: 10/04/2006]

Rambøll Management (2004). *Det betaler sig at være en moderne virksomhed ("It is worth the effort to be a modern company")*. Rambøll Management April 2004, Copenhagen.

URL: http://wwwupload.pls.ramboll.dk/dan/Publikationer/Management/Notat_DetBetalerSig.pdf [Accessed: 09/04/2006]

Redington, N., Schacht, M.K. and Wiegand, B. (2006). Fremtidens erhvervselite: Humanister, hunkøn og andre holdspillere („Future professional elite: Humanist, female and other team players"). *Mandag Morgen*, No. 3, January 2006, pp. 12 – 16.

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c85256207004f45a9/6bcc223521f800a8c1257101004bbcc2/$FILE/032006 04.pdf.pdf [Accessed: 10/04/2006]

Rigby, D. (2001). Management Tools and Techniques: A SURVEY. *California Management Review*, Winter 2001, Vol. 43 Issue 2, pp. 139 – 160.

URL:http://web1.epnet.com/externalframe.asp?tb=1&_ug=sid+1DEC8F5A%2D882B%2D41BC%2D903C%2D22BABAA4601F%40sessio nmgr5+dbs+buh%2Cbwh%2Cecn+cp+1+BE12&_us=mh+1+sl+%2D1+hd+False+hs+False+or+Relevance+fh+False+ss+SO+sm+ES+mdbs +buh%2Cbwh%2Cecn+ri+KAAACBVA00039507+dstb+ES+sel+True+frn+1+8F51&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg %5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagement++tools+db%5B2+%2Decn+db%5B1+%2Dbwh+ db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+43A3&fi=buh_4373000_AN&lpdf=true&pdfs=5.2MB&bk=C &tn=10&tp=CAP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D4373000%26rn%3D1%26db%3Dbuh%26is%3D0008125 6%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DCalifornia%2BManagement%2BReview%26year%3D2001%26bk%3DC&fn=1&rn =1& [Accessed: 05/04/2006]

Rosenkrands, J. (2000). Ny undersøgelse: Visionære ledere skaber bedst bundlinje ("New investigation: Visionary managers create best bottom line. *Mandag Morgen* nr. 13, 27. marts 2000.

URL:http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c85256207004f45a9/5b70ebbc7fac1b77c125699a00375535/$FILE/132000 03.pdf [Accessed 08/08/2005]

Saunders, M., Lewis, P. and Thornhill, A. (2003). *Research Methods for Business Students* (3rd edition). Prentice Hall, Essex.

Schramm-Nielsen, J., Lawrence, P. and Sivesind, K.H. (2004). *Management in Scandinavia – Culture, Context and Change*, Edward Elgar Publishing.

Sekaran, U. (2003). *Research methods for business – A skill building approach* (4th edn.). Wiley, USA.

Strebel, P. (2004). The Case for Contingent Governance. *MIT Sloan Management Review*, Winther 2004, Vol. 45 Issue 2, pp. 59 – 66.

URL:http://web1.epnet.com/externalframe.asp?tb=1&_ug=sid+1DEC8F5A%2D882B%2D41BC%2D903C%2D22BABAA4601F%40sessionmgr5+dbs+buh%2Cbwh%2Cecn+cp+1+BE12&_us=mh+1+frn+1+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+sel+False+ri+KAAACBVA00039374+B143&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagerial++power+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+CC49&fi=buh_12020789_AN&lpdf=true&pdfs=1.3MB&bk=C&tn=1&tp=CAP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D12020789%26rn%3D1%26db%3Dbuh%26is%3D15329194%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DMIT%2BSloan%2BManagement%2BReview%26year%3D2004%26bk%3DC&fn=1&rn=1& [Accessed: 05/04/2006]

Thomsen, J. (2006). The Company Registration Authority in the Faroe Islands. Telephone conversation 5th of January 2006 with the manager.

Toll- og Skattstova Føroya (2006). (Faroe Islands Customs and Tax Authorities).

URL: http://www.tollskatt.fo/ [Accessed: 04/01/2006]

Virtanen, T. (2000). Changing competences of public managers: tensions in commitment. *The International Journal of Public Sector Management*, Vol. 13, No. 4, 2000, pp. 333 – 341.

URL:http://web10.epnet.com/externalframe.asp?tb=1&_ug=sid+18C8F507%2D56BA%2D4E90%2D82FC%2D23E4ACD2060B%40sessionmgr4+dbs+buh%2Cecn+cp+1+CCF9&_us=mh+1+frn+1+hd+False+hs+False+or+Date+mdbs+buh%2Cecn+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+sel+False+ri+KAAACB5A00049069+5718&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAU+st%5B2+%2D+st%5B1+%2Dpublic++management+st%5B0+%2Dvirtanen+db%5B1+%2Decn+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+B482&fi=buh_5498377_AN&lpdf=true&pdfs=69K&bk=C&tn=1&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D5498377%26rn%3D1%26db%3Dbuh%26is%3D09513558%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DInternational%2BJournal%2Bof%2BPublic%2BSector%2BManagement%26year%3D2000%26bk%3DC&fn=1&rn=1& [Accessed: 26/03/2006]

Whiddett, S. and Hollyforde, S. (1999). *The Competencies Handbook*. Chartered Institute of Personnel Development, London.

World Economic Forum (2006). *The Global Competitiveness Report 2004-2005 and 2005-2006.*

URL: http://www.weforum.org/site/homepublic.nsf/Content/Global+Competitiveness+Programme%5CGlobal+Competitiveness+Report
[Accessed: 09/04/2006]

Woodruffe, C. (1990). *Assessment centres*. Institute of Personnel Management, London.

Woodruffe, C. (1991). Competent by Any Other Name. *Personnel Management*, Sep. 1991, pp. 30-33.

Yang, B-C., Wu, B-E, Shu, P-G and Yang M-H (2006). On establishing the core competency identifying model. A value-activity and process oriented approach. *Industrial Management & Data Systems*, Vol. 106, No. 1, 2006, pp. 60-80.
URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emerald-fulltextarticle/pdf/0291060104.pdf
[Accessed: 15/03/2006]

Zikmund, W.G. (2000). *Business Research Methods* (6th edition). The Dryden Press, Orlando.

7 Bibliography

Anderson, P. and Pulich, M. (2002). Managerial Competencies Necessary in Today's Dynamic Health Care Environment. *Health Care Manager*, Vol. 21 Issue 2, pp. 1 – 11, Dec. 2002.

URL:http://web1.epnet.com/externalframe.asp?tb=1&_ug=sid+1DEC8F5A%2D882B%2D41BC%2D903C%2D22BABAA4601F%40session mgr5+dbs+buh%2Cbwh%2Cecn+cp+1+BE12&_us=sel+False+ss+SO+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+frn+1+sm+ES+sl+%2D1+dstb+ES+mh+1+ri+KAAACBVA00039122+1FF5&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagerial++style+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+ECF9&fi=buh_8785695_AN&lpdf=true&pdfs=1.7MB&bk=C&tn=2&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D8785695%26rn%3D1%26db%3Dbuh%26is%3D15255794%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DHealth%2BCare%2BManager%26year%3D2002%26bk%3DC&fn=1&rn=1& [Accessed: 05/04/2006]

Cockerill, T., Hunt, J. and Scroder, H. (1995). Managerial competencies: Fact or Fiction? *Business Strategy Review*, Vol. 6 No. 3, p. 1 – 12.

URL:http://web4.epnet.com/externalframe.asp?tb=1&_ug=sid+0EA35138%2DDDB39%2D43CA%2DA1DC%2D6307170E6348%40session mgr4+dbs+buh%2Cbwh%2Cecn+cp+1+2925&_us=mh+1+ss+SO+sl+%2D1+hd+False+hs+False+or+Date+fh+False+frn+1+sm+ES+mdbs+buh%2Cbwh%2Cecn+dstb+ES+sel+False+ri+KAAACBYA00054234+77FB&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAU+tg%5B0+%2DTI+st%5B2+%2D+st%5B1+%2DCockerill+st%5B0+%2DManagerial++competencies%3A++fact++or++fiction%3F+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+4948&fi=buh_6451941_AN&lpdf=true&pdfs=903K&bk=R&tn=1&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D6451941%26rn%3D1%26db%3Dbuh%26is%3D09556419%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DBusiness%2BStrategy%2BReview%26year%3D1995%26bk%3D&fn=1&rn=1 [Accessed: 19/03/2006]

Coggburn, J. D. and Hays, S.W. (2004). Innovations in local government human resource systems: observations from several best practice locations. *Public Administration Quarterly*; Winter2004, Vol. 27 Issue 4, pp. 433-455.

URL:http://web12.epnet.com/externalframe.asp?tb=1&_ug=sid+8C0E05BE%2DEC72%2D4B04%2DB597%2DD9F4A4EA2928%40session nmgr4+dbs+buh%2Cbwh%2Cecn+cp+1+E072&_us=mh+1+frn+1+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+sel+False+ri+KAAACBUB00035611+94C9&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DTX+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dcompetencies+st%5B0+%2Dmanagement++tasks+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+8A58&fi=buh_16365004_AN&lpdf=true&pdfs=1.0MB&bk=C&tn=5&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D16365004%26rn%3D2%26db%3Dbuh%26is%3D07349149%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DPublic%2BAdministration%2BQuarterly%26year%3D2004%26bk%3DC&fn=1&rn=2& [Accessed: 04/04/2006]

Cooper, D.R. and Schindler P.S. (2003). *Business Research Methods* (8th edn.) MCGraw-Hill Irwin, New York.

Dorff, M.B. (2005). Does One Hand Wash the Other? Testing the Managerial Power and Optimal Contracting Theories of Executive Compensation. *Journal of Corporation Law*, Winter 2005, Vol. 30 Issue 2, pp. 255 – 307.

URL:http://web104.epnet.com/externalframe.asp?tb=1&_ug=sid+53D353CB%2D830B%2D4C24%2D8AEF%2D353432310243%40sessionmgr4+dbs+buh%2Cbwh%2Cecn+cp+1+AA19&_us=sel+False+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+ss+SO+sm+ES+sl+%2D1+ri+KAAAGECB00043695+dstb+ES+mh+1+frn+1+B2BA&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2D+st%5B1+%2Dchief++executive++officers+st%5B0+%2Dmanagerial++power+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+7806&fi=buh_16988588_AN&lpdf=true&pdfs=3.1MB&bk=C&tn=2&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D16988588%26rn%3D1%26db%3Dbuh%26is%3D0360795X%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DJournal%2Bof%2BCorporation%2BLaw%26year%3D2005%26bk%3DC&fn=1&rn=1& [Accessed: 09/04/2006]

Garavan, T.N and McGuire, D. (2001). Competencies and workplace learning: Some reflections on the rhetoric and the reality. *Journal of Workplace Learning* Volume 13 . Number 4 . 2001 . pp. 144-163. MCB University Press.

URL:http://www.emeraldinsight.com/Insight/ViewContentServlet?-Filename=/published/emerald-fulltextarticle/pdf/0860130402.pdf [Accessed: 11/03/2006]

Enders, A. (2004). *Management Competence – Resource-Based Management and Plant Performance*. Physica-Verlag, Heidelber, Germany.

Fink, A. (1995). *How to Analyze Survey Data*. SAGE Publications Ltd, California.

Hayes, J., Rose-Quirie, A. and Allinson, C.W. (2000). Senior managers´ perceptions of the competencies they require for effective performance: Implications for training and development. *Personnel Review*, Vol. 29, no. 1, pp. 92-105.

URL:http://web4.epnet.com/externalframe.asp?tb=1&_ug=sid+0EA35138%2DDB39%2D43CA%2DA1DC%2D6307170E6348%40sessionmgr4+dbs+buh%2Cbwh%2Cecn+cp+1+2925&_us=mh+1+ss+SO+hd+False+hs+False+or+Date+mdbs+buh%2Cbwh%2Cecn+fh+False+frn+281+sm+ES+sl+%2D1+dstb+ES+sel+False+ri+KAAACBYA00054495+0DE7&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2D+tg%5B0+%2DSO+st%5B2+%2D+st%5B1+%2D+st%5B0+%2DPersonnel++Review+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+BA65&fi=buh_3006153_AN&lpdf=true&pdfs=674K&bk=R&tn=741&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D3006153%26rn%3D281%26db%3Dbuh%26is%3D00483486%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DPersonnel%2BReview%26year%3D2000%26bk%3D&fn=281&rn=281 [Accessed: 19/03/2006]

Hildebrandt, S. and Andersen, T. (1998). *Human Resource Management*. Børsens Ledelseshåndbøger (Børsens Management handbook). Børsen Forum A/S, 1998

Hildebrandt, S. (2005 b). *Det Danske Ledelsesbarometer. Dansk topledelse anno 2005 – Dokumentationsrapport. (The Danish management barometer. Danish management in the year of 2005 – Documentation report)*. Handelshøjskolen I Århus (Aarhus School of Business) & Ledernes Hovedorganisation (The managers central organization).
URL: http://www.lederne.dk/pdf/DDL-dokumentationsra.pdf [Accessed 17/09/2005]

Jørgensen, T.B. and Vrangbæk, K. (2004). Værdibaseret bidrag til kodeks for god offentlig topledelse ("Value based contribution to codex for good public top management"). *Public Governance*, Copenhagen.
URL: http://www.publicgovernance.dk/docs/0408260822.pdf [Accessed: 15/03/2006]

Keiding, P. (2002). Medarbejdere er godt tilfredse med deres ledere ("Employees are well pleased with their managers"). *Mandag Morgen* no. 1, 17th January 2002, pp. 44 – 48.
URL:
http://lotus.mm.dk/mmdk/ugebrev03.nsf/b556c871fa2ec254c1256ad500441b31/23d50096d5b18875c1256bc0002f3228/$FILE/01200207-.pdf [Accessed: 08/04/2006]

Kettl, D. F., Pollitt, C. and Svara, J.H. (2004). Towards a Dansih concept of Public Governance: An International Perspective. Report to the Dansih Forum for Top Executive Management. *Public Governance*, Copenhagen.
URL: http://www.publicgovernance.dk/docs/0408260903.pdf [Accessed: 15/03/2006]

Klausen, K.K et.al. (2004a). På sportet af god offentlig topledelse ("Tracing good public top management"). *Public Governance*, Copenhagen.
URL: http://www.publicgovernance.dk/docs/0408270132.pdf [Accessed: 15/03/2006]

Klausen, K.K. and Pedersen, O.K. (2004b). God offentlig topledelse – Kodeks for kompetencer og etisk kodeks ("Good public top management – Codex for competencies and ethic codex"). *Public Governance*, Copenhagen.
URL: http://www.publicgovernance.dk/docs/0408260813.pdf [Accessed: 15/03/2006]

Khandwalla, P.N. (2004). Competencies for Senior Manager Roles. *Vikalpa,* vol. 29, No. 4, October-December 2004, pp. 11-24
URL:http://weblinks3.epnet.com/externalframe.asp?tb=1&_ua=bo+B%5F+shn+1+db+buhjnh+bt+ID++%22HBR%22+B4C8&_ug=sid+84847140%2DAF72%2D4C1A%2DA039%2DA3A92340BD12%40sessionmgr2+dbs+buh+cp+1+3B22&_us=frn+1+hd+False+or+Relevance+fh+False+ss+SO+sm+ES+sl+%2D1+dstb+ES+mh+1+ri+KAAACB2D00020459+566C&_uh=btn+N+6C9C&_uso=hd+False+tg%5B2+%2DAB+tg%5B1+%2DAB+tg%5B0+%2DAB+st%5B2+%2Dcompetencies+st%5B1+%2Dmanagement+st%5B0+%2DTop+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+37DC&fi=buh_15721662_AN&lpdf=true&pdfs=193K&bk=R&tn=65&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D15721662%26rn%3D1%26db%3Dbuh%26is%3D02560909%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DVikalpa%253A%2BThe%2BJournal%2Bfor%2BDecision%2BMakers%26year%3D2004%26bk%3D&fn=1&rn=1[Accessed 12/09/2005]

Ledernes Hovedorganisation (2005). Globalisering – Danske lederes syn på globalisering ("Globalisation – Danish managers view on globalisation").
URL: http://www.lederne.dk/pdf/Analyser/Globalisering%20-%202005.pdf [Accessed 21/09/2005]

Lindholm, M.R. (2004). Skandinavisk ledelse er en konkurrencefordel ("Scandinavian management is a competitive advantage"). *Manadag Morgen*, No. 43, December 2004, pp. 36 – 38.

Mandagmorgen (2002). Lederskab uden grænser (leder) ("Leadership without borders" (editorial)). *Mandagmorgen*, no. 1, 7th January 2002, pp. 6 – 9.
URL: http://lotus.mm.dk/mmdk/ugebrev03.nsf/bdedfca988b2db3c85256207004f45a9/97835d7648e9e2b1c1256bc0002c71f3/$FILE/01200201.pdf [Accessed: 08/04/2006]

Martin, G. and Staines, H. (1994). Managerial Competences in Small Firms. *Journal of Management Development*, Vol. 13, No. 7, pp. 23 – 34.
URL: http://web4.epnet.com/externalframe.asp?tb=1&_ug=sid+0EA35138%2DDDB39%2D43CA%2DA1DC%2D6307170E6348%40sessionmgr4+dbs+buh%2Cbwh%2Cecn+cp+1+2925&_us=mh+1+sl+%2D1+hd+False+hs+False+or+Date+fh+False+ss+SO+sm+ES+mdbs+buh%2Cbwh%2Cecn+ri+KAAACBYA00054894+dstb+ES+sel+False+frn+1+BCFF&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2DSO+tg%5B0+%2DAU+st%5B2+%2D+st%5B1+%2DJournal++of++Management++Development+st%5B0+%2DMartin+db%5B2+%2Decn+db%5B1+%2Dbwh+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+A401&fi=buh_3922075_AN&lpdf=true&pdfs=43K&bk=R&tn=6&tp=CAP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D3922075%26rn%3D6%26db%3Dbuh%26is%3D02621711%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DJournal%2Bof%2BManagement%2BDevelopment%26year%3D1994%26bk%3D&fn=1&rn=6 [Accessed: 19/03/2006]

Nielsen, G.S. (2006). Business og academia i heldigt samspil ("Business and academia in a successful development – Interview with Chris Brewster, professor at Henley Management College"). *Civiløkonomen*, Vol. nr. 1-2, januar 2006, p. 32 – 34.

Norden (2005). *Norden som global vinderregion – På sporet af den nordiske konkurrencemodel ("The Nordic region as a Global Winner Region – Tracing the Nordic Competitiveness mode")*l. Copenhagen.

Peters, T.J. and Waterman Jr., R.H. (1984). *Hvad gør de bedste bedre? – Cases fra Amerikas mest succesrige virksomheder* ("In Search of Excellence – Lessons from America's Best-Run Companies"). Schultz, Copenhagen.

Pickett, S. (2000). Developing internal audit competencies. *Managerial Auditing Journal* 15/6-2000, pp. 265 – 278.

URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emerald-fulltextarticle/pdf/0510150601.pdf
[Accessed: 15/03/2006]

Rankin, N. (2002): Raising performance through people: the ninth competency survey, *Competency and Emotional Intelligence journal*, Jan, pp. 2-21??????????

Rigby, D. (2003). Management tools survey 2003: usage up as companies strive to make headway in tough times. *Strategy & Leadership*, October 2003, Vol. 31 Issue 5, pp. 4 – 11.
URL: http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=/published/emeraldfulltextarticle/pdf/2610310501.pdf
[Accessed: 05/04/2006]

Rowley, J. and Slack, F. (2004). Conducting a Literature Review. *Management Research News*, Vol. 27, Number 6, pp. 31 – 39.

Valkeavaara, T. (1998). Human resource development roles and competencies in five European countries. *International Journal of Training and Development*, Vol. 2, No 3, pp. 171 – 189.
URL: http://web105.epnet.com/externalframe.asp?tb=1&_ug=sid+46B2D2DA%2D504A%2D4BE5%2D968D%2D57403E5B229F%40sessionmgr5+dbs+buh%2Cecn+cp+1+7720&_us=mh+1+sl+%2D1+hd+False+hs+False+or+Date+fh+False+ss+SO+sm+ES+mdbs+buh%2Cecn+ri+KAAAGEDB00164571+dstb+ES+sel+False+frn+1+A56A&_uso=hd+False+tg%5B2+%2D+tg%5B1+%2D+tg%5B0+%2DAU+st%5B2+%2D+st%5B1+%2D+st%5B0+%2DValkeavaara+db%5B1+%2Decn+db%5B0+%2Dbuh+op%5B2+%2DAnd+op%5B1+%2DAnd+op%5B0+%2D+B6DD&fi=buh_4519428_AN&lpdf=true&pdfs=186K&bk=R&tn=3&tp=CP&es=cs%5Fclient%2Easp%3FT%3DP%26P%3DAN%26K%3D4519428%26rn%3D3%26db%3Dbuh%26is%3D13603736%26sc%3DR%26S%3DR%26D%3Dbuh%26title%3DInternational%2BJournal%2Bof%2BTraining%2B%2526%2BDevelopment%26year%3D1998%26bk%3D&fn=1&rn=3 [Accessed: 24/03/2006]

8 Appendices

8.1 List over number of companies and their size

Number of employees	Private companies	Public companies	In total
≥ 300	1	1	2
≥ 250	2	2	4
≥ 200	4	3	7
≥ 175	7	3	10
≥ 150	8	4	12
≥ 125	9	7	16
≥ 100	12	8	20
≥ 75	22	9	31
≥ 50	40	16	56
≥ 40	56	18	74
≥ 30	**80**	**30**	**110**
≥ 20	143	36	179
≥ 10	316	70	386

Table 30. List over number of employees into size and kind of company

Source: The information about private companies is from Business-line (Business Line, 2006) and

the information about public companies is from the Ministry of Finance (Fíggjarmálaráðið, 2005 and 2006).

Management investigation

Questionnaire

MSc. dissertation

February 2006

TOP MANAGEMENT COMPETENCIES IN THE FAROE ISLANDS

What is the purpose of the study?

In connection with my MSc. in Management at Robert Gordon University in Aberdeen, I have to write a dissertation. I have chosen to write about management competencies specifically in the Faroe Islands. The study covers both the public and the private sector. In particular the focus will be on investigating:

- Which are the most important management tasks for managers today?
- How are the manager's jobs?
- What are the main challenges for management in years to come?

I consider it to be of great importance that such research conducted at university level should explore Faroese social conditions in order to gain knowledge about our circumstances, which the Faroese society hopefully will benefit from.

Guidance

Before you start filling-in the questionnaire please read the guidance carefully.

- For ease of answering the majority of questions are designed as closed questions. This means you need only put a cross in the box most applicable for you in the company you work in.
- By company the meaning is the physical and geographical unit, which you consider your workplace.
- The word "company" is used throughout the questionnaire as a collective name for both private and public organizations. The word "customer" is used as collective term for customers, users and citizens.
- As with most questionnaires you may find that the response options are not always entirely suitable. Nevertheless I hope you will attempt to answer the questions as best as you can.
- Furthermore, there may be questions you find are irrelevant to you that you are not able or willing to answer. Please omit these and complete the rest of the questionnaire.

If you would like to supplement or go in to further detail on your answers the last page of this questionnaire is designed for this purpose.

It takes about 20 – 25 minutes to complete the questionnaire.

All answers are anonymous and treated in outmost confidence. The individual manager and company will not be identifiable in the results of the study.

If you have questions concerning the study or answering the questionnaire you are welcome to contact myself on phone +298 55 50 51 or through e-mail: petur.petersen@skulin.fo .

I would be grateful for receiving the questionnaire in enclose stamped and addressed envelope no later than

<div align="center">

15th February 2006.

</div>

I would like to thank you for participating.

Yours sincerely
Petur Petersen

BACKGROUND INFORMATION.

1. Gender

	1 Male		2 Female

2. Year of birth? _____

3. What is the highest qualifying education you have completed since secondary school?
   (Please put only one cross)

	1 None
	2 Skilled worker
	3 Internal education
	4 Shorter higher education (1 – 2 years duration)
	5 Middle range higher education (2 ½ - 3 ½ years duration)
	6 Longer higher education (4 years and longer)
	7 Other (kindly write which):

4. What kind of company are you working in?

	1 Public sector		2 Private sector

5. In which business sector is your company in?
   (Please put only one cross)

	1 Production		6 Construction
	2 Education and research		7 Public administration
	3 Finance, insurance and services		8 Transport, post and communication
	4 Health and social work		9 Agriculture, fishing and mining
	5 Sales, service, hotel and restaurants		10 Others

6. How many managerial jobs have you had before present job?
   _____ numbers

7. How many years have you in total been a manager?
   _____ years

8. How many years have you been employed in your present company?
   _____ years

9. How many years have you been in this job?
   _____ years

10. How many staff members in the company report directly to you – i.e. not through a managerial intermediary?
    _____ numbers of staff members

11. How many staff members work in the company (if possible in full-time equivalence)?
    _____ numbers of staff members

THE MANAGEMENT JOB TODAY

12. How important are the following tasks in your management job today?
(Please put one cross for each task)

	No importance 1	Little importance 2	Some importance 3	Great importance 4	Very great importance 5	Not relevant 6
Formulation of vision and strategy	☐	☐	☐	☐	☐	☐
Goal and results monitory	☐	☐	☐	☐	☐	☐
Instruction and training staff	☐	☐	☐	☐	☐	☐
Planning	☐	☐	☐	☐	☐	☐
Development of staff members	☐	☐	☐	☐	☐	☐
User and customer development	☐	☐	☐	☐	☐	☐
Organizing	☐	☐	☐	☐	☐	☐
Business development	☐	☐	☐	☐	☐	☐
Co-ordinate	☐	☐	☐	☐	☐	☐
Time and resource management	☐	☐	☐	☐	☐	☐
Organizational development	☐	☐	☐	☐	☐	☐
Project management	☐	☐	☐	☐	☐	☐
Motivation of others	☐	☐	☐	☐	☐	☐
Determine rules and routines	☐	☐	☐	☐	☐	☐
Represent the company	☐	☐	☐	☐	☐	☐
Communicate values/attitudes	☐	☐	☐	☐	☐	☐
Teambuilding	☐	☐	☐	☐	☐	☐
Conflict handling	☐	☐	☐	☐	☐	☐
Delegate	☐	☐	☐	☐	☐	☐
Information processing	☐	☐	☐	☐	☐	☐
Guidance/coaching	☐	☐	☐	☐	☐	☐
Negotiation	☐	☐	☐	☐	☐	☐
Follow-up/supervision	☐	☐	☐	☐	☐	☐
Professional tasks/specialist	☐	☐	☐	☐	☐	☐
Quality and service development	☐	☐	☐	☐	☐	☐
Reporting	☐	☐	☐	☐	☐	☐
Staff satisfaction	☐	☐	☐	☐	☐	☐

13. How great a percentage of your working hours do you currently spend on tasks which are connected to the following four management areas?
(Please mention a percentage for each task, so it adds up to 100%)

Administration and organization
(Information processing, follow up, coordinating, organizing etc.)   _____ %

Goals and result monitory
(Goal, planning, efficiency, productivity, economy, time management etc.)   _____ %

Staff development (HR – Human Resource)
(Teambuilding, co-operation, ethics, values, conflict, development of competencies etc.)   _____ %

Business development
(Product, service and market development, vision, image, customer relations etc.)   _____ %

In total   =   100   %

14. How great a percentage of your working hours do you currently spend on the following mentioned activities?
(Please mention a percentage for each activity, so it totals 100%)

Internal meetings and conversations/discussions
(with staff members etc.)   _____ %

External meetings and conversations/discussions
(with customers, vendors, collaborators etc.)   _____ %

Own tasks ("behind writing desk")
(planning, analysis, reflection, notes, reports etc.)   _____ %

Information processing
(post, e-mail, notes, reports etc.)   _____ %

In total   =   100   %

15. Which management tools do you use in your work – and what is your experience with the usefulness of these tools?
(Please put one cross for each management tool)

	Do no use 1	No value 2	Little value 3	Some value 4	Great value 5	Very great value 6
Strategic planning	☐	☐	☐	☐	☐	☐
Plans of action	☐	☐	☐	☐	☐	☐
Environmental account	☐	☐	☐	☐	☐	☐
Knowledge and competence account	☐	☐	☐	☐	☐	☐
Social account	☐	☐	☐	☐	☐	☐
Ethical account	☐	☐	☐	☐	☐	☐
Customer investigation	☐	☐	☐	☐	☐	☐
Staff-/satisfaction investigation	☐	☐	☐	☐	☐	☐
Appraisal interview	☐	☐	☐	☐	☐	☐
Education planning	☐	☐	☐	☐	☐	☐
Quality systems (e.g. ISO, TQM)	☐	☐	☐	☐	☐	☐
Production operating systems	☐	☐	☐	☐	☐	☐
Management evaluation (not yourself)	☐	☐	☐	☐	☐	☐
Project management tools	☐	☐	☐	☐	☐	☐
Benchmarking	☐	☐	☐	☐	☐	☐
Process management tools (e.g. BPR, Lean)	☐	☐	☐	☐	☐	☐
Financial management tools (e.g. ABC, SAP)	☐	☐	☐	☐	☐	☐
Contract and contract management	☐	☐	☐	☐	☐	☐
Contract and contract management	☐	☐	☐	☐	☐	☐
Payment-by-results	☐	☐	☐	☐	☐	☐

16. What do the following factors mean for your to justify our existence as a leader?
(Please put one cross for each circumstance)

	No importance 1	Little importance 2	Some importance 3	Great importance 4	Very great importance 5
My professional competencies	☐	☐	☐	☐	☐
My management competencies	☐	☐	☐	☐	☐
My personal qualities	☐	☐	☐	☐	☐
My results	☐	☐	☐	☐	☐

17. To what extent do you think that below mentioned factors gives you power of penetration in your management position?
(Please put one cross for each factor)

	Not at all 1	A little 2	To some extent 3	Highly 4	Very highly 5
My job and my position	☐	☐	☐	☐	☐
My professional competencies	☐	☐	☐	☐	☐
My power to punish and reward	☐	☐	☐	☐	☐
My power over resources	☐	☐	☐	☐	☐
My relationships with others	☐	☐	☐	☐	☐
My personal qualities	☐	☐	☐	☐	☐
My results	☐	☐	☐	☐	☐
My management experience	☐	☐	☐	☐	☐
My attitude and values	☐	☐	☐	☐	☐

18. What importance do the following personal factors and abilities have for you in your management position?
(Please put one cross for each personal good points/ability)

	No importance 1	Little importance 2	Some importance 3	Great importance 4	Very great importance 5
Involvement	☐	☐	☐	☐	☐
Self-confidence	☐	☐	☐	☐	☐
Resolute	☐	☐	☐	☐	☐
Outgoing	☐	☐	☐	☐	☐
Interpersonal skills	☐	☐	☐	☐	☐
Credibility	☐	☐	☐	☐	☐
Power of penetration	☐	☐	☐	☐	☐
Risk	☐	☐	☐	☐	☐
Persistence	☐	☐	☐	☐	☐
Responsibility	☐	☐	☐	☐	☐
Tolerance	☐	☐	☐	☐	☐
Confidence in others	☐	☐	☐	☐	☐
Logic/analytical ability	☐	☐	☐	☐	☐
Independence	☐	☐	☐	☐	☐
Enthusiasm/vitality	☐	☐	☐	☐	☐
Interesting to be with	☐	☐	☐	☐	☐
Unselfish/put others interest before own	☐	☐	☐	☐	☐
Understanding/attentive	☐	☐	☐	☐	☐
Disciplinary and organized	☐	☐	☐	☐	☐
Sense of humour	☐	☐	☐	☐	☐
Will	☐	☐	☐	☐	☐
Energy	☐	☐	☐	☐	☐
Results-oriented	☐	☐	☐	☐	☐
Identifying oneself/empathy	☐	☐	☐	☐	☐
Diplomatic/tactful	☐	☐	☐	☐	☐
Optimistic outlook on life	☐	☐	☐	☐	☐
Robust	☐	☐	☐	☐	☐
Emotionally stable	☐	☐	☐	☐	☐
High stress tolerance	☐	☐	☐	☐	☐

MANAGEMENT STYLE

19. How do you perform your management job?
(Please put one cross for each statement)

	Not at all 1	A little 2	To some extent 3	Highly 4	Very highly 5
Through dialog and coaching	☐	☐	☐	☐	☐
Through acknowledgement and rewards	☐	☐	☐	☐	☐
Through follow-up and supervision	☐	☐	☐	☐	☐
Through attitude and values	☐	☐	☐	☐	☐
Through order and instructions	☐	☐	☐	☐	☐
Through co-operation and participation	☐	☐	☐	☐	☐
Through rules and directives	☐	☐	☐	☐	☐
Through self-governing and self-management	☐	☐	☐	☐	☐

MANAGEMENT CHALLENGES NEXT 2 – 3 YEARS

20. Below you are asked to determine what importance you ascribe to different tasks for you as a manager over the next 2 – 3 years.
(Please put one cross for each task)

	No importance 1	Little importance 2	Some importance 3	Great importance 4	Very great importance 5	Not relevant 6
Make working processes more effective	☐	☐	☐	☐	☐	☐
Export orientation	☐	☐	☐	☐	☐	☐
Goal and results monitory/contract control	☐	☐	☐	☐	☐	☐
Product or service development	☐	☐	☐	☐	☐	☐
Quality development and quality management	☐	☐	☐	☐	☐	☐
Improvem. of customer satisfaction or customer loyalty	☐	☐	☐	☐	☐	☐
Environment management	☐	☐	☐	☐	☐	☐
Improvement of owners returns	☐	☐	☐	☐	☐	☐
Risk- and safety management	☐	☐	☐	☐	☐	☐
Time- and resource management	☐	☐	☐	☐	☐	☐
Merge, buying etc.	☐	☐	☐	☐	☐	☐
Outsourcing, put out to tender etc.	☐	☐	☐	☐	☐	☐
Insourcing	☐	☐	☐	☐	☐	☐
Co-operation with other companies, institutions etc.	☐	☐	☐	☐	☐	☐
Recruitment of qualified employees	☐	☐	☐	☐	☐	☐
Develop and retain good employees	☐	☐	☐	☐	☐	☐
Reduce staff numbers	☐	☐	☐	☐	☐	☐
Flexible wage system	☐	☐	☐	☐	☐	☐
Improve co-operation across the organization	☐	☐	☐	☐	☐	☐
Raise knowledge and competence level	☐	☐	☐	☐	☐	☐
Diversity staff: Gender, age, culture etc.	☐	☐	☐	☐	☐	☐
Mental working environment	☐	☐	☐	☐	☐	☐
Physical working environment	☐	☐	☐	☐	☐	☐
Organizational development	☐	☐	☐	☐	☐	☐
Value-based management	☐	☐	☐	☐	☐	☐
Social responsibility	☐	☐	☐	☐	☐	☐
Adopt new technology	☐	☐	☐	☐	☐	☐
Internationalisation/globalisation	☐	☐	☐	☐	☐	☐
Reduction of absence due to illness/staff turnover	☐	☐	☐	☐	☐	☐
Ensure the company's/institution's competitiveness	☐	☐	☐	☐	☐	☐

COMMENTS

If you have further comments you are welcome to mention them below.

Thank you very much for your participation!

8.3 The encourage letter from the Faroese Employers' Association (translated)

"Faroe Employers´ Association

House of Industry

Torshavn 23rd January 2006

Ministry of Education, Research and Culture

Post box 3279

F0-110 Torshavn

Att.: Petur Petersen

Management study – recommendation

The Faroe Employers´ Association is grateful for the information about your management study as part of your MSc. dissertation in management.

In order to develop management in the future it is most important to gain insight into the management situation in the Faroe Islands. This has not been done for many years and we welcome this study and believe it can give a valuable picture of the situation.

With this letter we appeal to all managers who receive the questionnaire to participate in the study.

Regards

Faroe Employers´ Association

Jan Mortensen (sign.)

(manager)"

8.4 The telephone script (translated)

Good morning/afternoon. You are speaking to Mr. Petur Petersen, permanent secretary in the ministry of Education, Research and Culture, but to day my business is more as a private person. I am studying for a Master of Science in management at Robert Gordon University in Aberdeen.

Is it OK for me to take 45 seconds of your time today? …………..

I am working with my dissertation, which is a study into management competencies in Faroe Islands. In this case I have found one hundred the largest companies, private as well as public, measured by number of employees. In this connection I have been in contact with Faroese Employers' Association and told them about my study and showed them my questionnaire. They liked it and wrote me a letter where they appeal to managers to take part in the study. I will enclose this letter with the questionnaire I send.

The study is anonymous. I post a letter with the questionnaire and enclose a stamped and addressed envelope for your reply. That way I can not see who is answering what etc, therefore there is no risk in taking part. During my work with the questionnaire I will store the data in a safe and as soon as I am finished with my Dissertation all questionnaires will be destroyed.

It takes about 20 minutes to complete the questionnaire which mainly consists of closed questions (questions where you tick off) and I would be happy to receive the completed questionnaire before 15th February. I will use the data primarily for study purposes, however, I have promised the Faroese Employer's Association to publish the main result of my research, so you can see some results of the study.

Would you be so kind to do me, yourself and the business the favour to participate? …..Thank you and I will post you your questionnaire tonight so you will receive it tomorrow. Is it OK that I make a follow up by e-mail shortly before the deadline? ……… Thank you so much!

8.5 Follow up by e-mail on the day of deadline (translated)

Subject: Management study – Request for answering the questionnaire/Thank to those who have answered.

Dear participant

First of all I would like to thank you for taking part in the investigation.

<u>To those who have answered:</u>
Thanks for making an effort to respond. I am most grateful.

<u>To those who have not answer yet:</u>
It is most important to get as many replies as possible. Otherwise the study will not be as reliable. I have received the questionnaire back from several respondents, however, I am still missing some. I have made much effort to carry out this study and I hope that you will post me the questionnaire as soon as possible. The investigation does not only have importance for me by also for you as a manager as this is the first study of its kind.

If you have any queries do not hesitate to get in touch with me (e-mail: petur.petersen@skulin.fo or peturp@mmr.fo or mobile phone 55 50 51)

I can inform you that I have been in touch with 95 managers for the largest companies in the Faroe Islands, private as well as public. All have confirmed their willingness to participate which I am most pleased about.

Thanks

Yours sincerely
Petur Petersen

8.6 Follow up by e-mail short after deadline (translated)

Subject: Management study – Sincere request for completing the questionnaire/Many thanks to those who have responded.

Dear participant

Excuse me for disturbing you once again.

To those who have answered:
Thanks for making the effort to responding. I am most grateful.

To those who have not answer yet:
I deeply appeal you to answer the questionnaire. Many have responded, however I would be grateful if you would return the questionnaire. The response rate is not as high as we know from our neighbouring countries, however I hope you will do your best to help me achieve a high response rate.

I entreat you to return the questionnaire.

If you have any queries do not hesitate to get in touch with me (e-mail: petur.petersen@skulin.fo or peturp@mmr.fo or mobile phone 55 50 51)

Thanks

Yours sincerely
Petur Petersen

8.7 List over sample

(Left out in the public version)

Figure 21. List over sample

8.8 Statistics age group

Year of birth?

N	Valid	79
	Missing	2
Mean		1957,96
Std. Error of Mean		,922
Median		1959,00
Mode		1962
Std. Deviation		8,195
Variance		67,165
Skewness		-,307
Std. Error of Skewness		,271
Kurtosis		-,438
Std. Error of Kurtosis		,535
Range		37
Minimum		1938
Maximum		1975
Sum		154679
Percentiles	25	1952,00
	50	1959,00
	75	1964,00

Table 31. Summary statistics output on "year of birth"
Source: Computed from SPSS
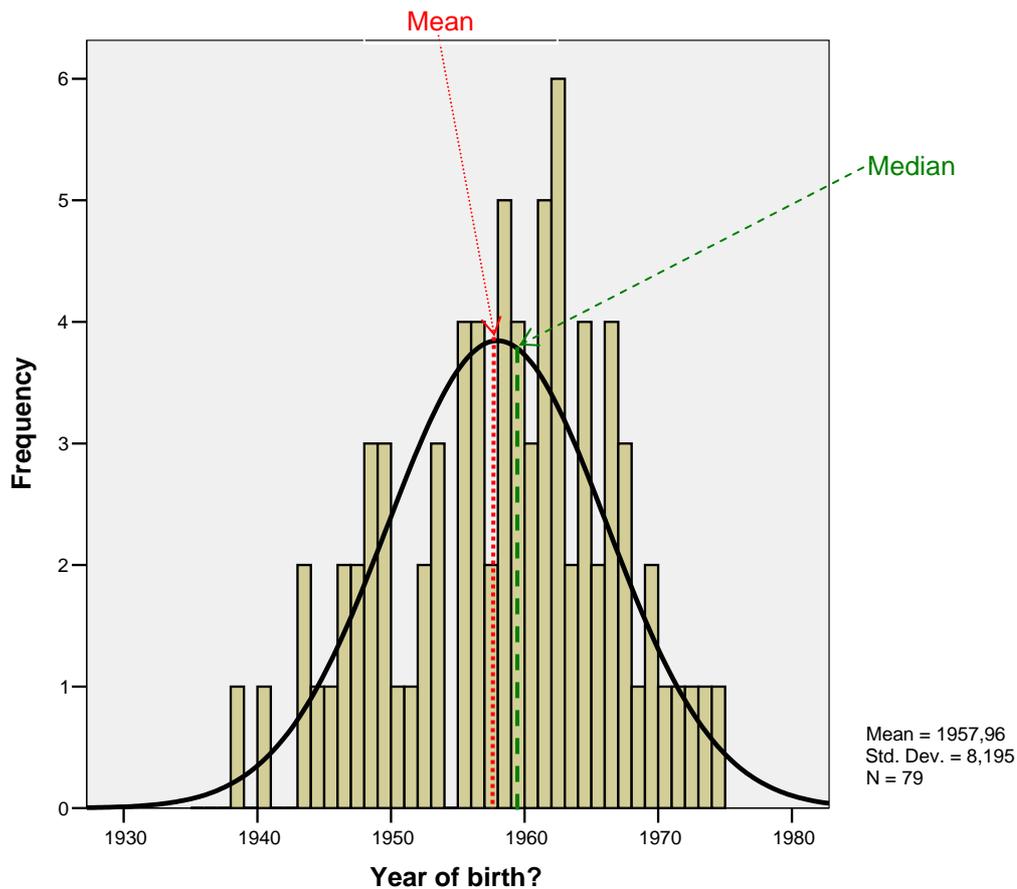
Figure 22. Histogram showing distribution on birth
Source: Computed from SPSS