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Managerial skills and competencies in NZ organizations: a cause for concern

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Abstract

This study investigates the perception by New Zealand (NZ) managers of the relative importance of the skills and competencies they have and how they might go about acquiring those they perceive they need. Although there is a considerable number of studies on managerial skills and competencies, the literature is still inconclusive and much of it does not refer specifically to NZ. Therefore, the study undertook an online survey using a pre-structured questionnaire to collect primary data from managers of NZ firms. The results show that NZ managers rate interpersonal skills and communication skills higher than coaching and technical skills, and that they view “on the job experience” as their primary source for up-skilling. Those who use training providers to up-skill prefer private to government-owned providers. The key attributes most favoured by managers are honesty, integrity and trustworthiness, with creativity the least favoured. It is a cause for concern to the future development of NZ firms that managers appear to place so little value on creativity, and the study suggests that owners and directors should encourage their managers to consider creativity as a necessary attribute for enhancing innovation and competitiveness. The findings of this study may be of interest to managers, firms, training providers, researchers, and policy makers.

Key words: managerial skills, managerial competencies, innovation, creativity, New Zealand managers.

Introduction

There is some debate not only over what skills and competencies are comprised of, but also over the respective importance of each in achieving success. Understandably, it is difficult to determine the most important skills and competencies for organizational success in a generic sense. Furthermore, the importance of skills and competencies may vary not only with industry type but many other factors. There is a gap in the literature, particularly in relation to the NZ managerial context. This study examined the managerial skills and competencies thought to be important by NZ managers, and how these skills and competencies might be acquired if needed. The relevance of skills and competencies to the future of NZ organizations was also investigated. Finally, the study also identified which attributes managers in NZ considered the most important.

Literature Review

The literature draws some strong correlations between a business's success in achieving results and the skills and abilities of its manager (Boyatzis, 1982; Quinn, 1988; Hogan, Hogan, & Kaiser, 2011). While the literature is rife with attempts to classify these skills and attributes that contribute to successful management practices, there is clear disagreement over what they are. Leadership theories suggest that success in management roles is due to the innate characteristics of the manager but such connections were not found to be as important as learned behaviours (Stogdill, 1974). The management literature has highlighted the importance of both cognitive skill-building and behavioural skill-building (Heimovics & Herman, 1989). Mintzberg argued as early as in the 1970s that managers need both skill training and cognitive learning (Mintzberg, 1975). However, Whitley (1989) claimed that management education should emphasise organizational skills rather than analytical skills due to the vast activities in a changing environment that managers need to adapt to. These broad categories of cognitive, behavioural, organizational, and analytical skills need further refinement and classification. More importantly, from a practical perspective, it is important to understand where the skills can most effectively be acquired.

Some studies have claimed that management is an art rather than a science (Armstrong, 2008). Nevertheless, it is possible to generalize and make sense of the factors that make some managers more successful than others (Armstrong, 2008; Kotter, 1982; Khurana, 2008). Kotter (1982) studied 15 general managers from nine different corporations in the United States to investigate the factors that contributed to their success in the work place. He indicated that such success was not due to innate ability or learned skills but, rather, that the same factors, combined with vast experience in different areas, contributed to higher managerial performance. Though this may indicate a generalist approach to management, he also found that all these managers were highly specialized. Armstrong (2008) accounted for 50 key managerial skills of which the most prominent were leadership and resource management. He discussed these skills in relation to three main areas: managing people (cited as the most important), managing activities and processes, and self managing & development. Additionally, he highlighted the importance of the manager's role as a coach. Ladyshewsky (2010) also supported this view. The notions of coaching and counselling are recurring themes in contemporary literature. Ray (2011) discussed the importance of ensuring the welfare of the workers and the manager's role as a counsellor during unstable times and periods of constant change. This could help employees feel supported and contribute to their general emotional and mental health (Ray, 2011). Emotional, social, and cognitive intelligence competencies were found effective in managerial roles in many sectors of society (Boyatzis, 2008, Cangemi, Lazarus, McQuade, Fitzgerald, Conner, Miller, & Murphree, 2011). Müller & Turner (2009) found that intellectual and emotional competencies were the qualities most relevant to all types of projects.

Along similar lines to strong interpersonal skills, Fisher (2011) identified six specific skills for an effective project manager: openness and honesty; high motivation; ability to convince, influence or impress others; showing open concern for others; ability to establish the root causes of conflict; and awareness of the cultural differences among team members.

Client orientation, flexibility, and self-control were also among the findings in the literature for an effective project manager in the construction industry, but these were also found generic to management positions (Dainty, Cheng, & Moore, 2005). Other studies in the managerial literature identified emotional intelligence as the most important factor in leadership followed by intellectual competence and managerial competence (Goleman, Boyatzis, & McKee, 2002; Dulewicz & Higgs 2000; 2003).

In the international business literature the manager is the strategist, architect, and coordinator of the firm (Bartlett & Ghoshal, 1992). The function of coordinating is one of the categories of the managerial function proposed by Penrose (1980). According to Penrose (1980), managers need to establish, maintain, and coordinate an administrative system that will transfer resources of the firm (human capital / materials) into productive output – being a product or service. Hence, managers' responsibilities lie in their ability to select resources and change processes to improve output (Penrose, 1980; Whitley, 1989). However these activities are facilitated by emotional intelligence, intellectual competence, and managerial competence. Emotional intelligence cannot be trained but is dependent on experience in leadership roles inside and outside of work (Dreyfus, 2008).

Jeou-Shyan et al. (in press) attempted to identify which competencies top managers perceived to be the most critical for career development. They found that out of 18 competency domains under two broad categories (generic and technical) the top three most important competency domains were leadership, crisis management, and problem solving. Tyler (2001) argued that above-average cooperative capabilities (i.e. competencies relevant to information processing, communication, knowledge transfer, intra- and inter-unit coordination, the ability to develop trusting relationships, and negotiation) typically resulted from unique historical conditions and were ambiguous and socially complex. Therefore, they could be expected to provide firms with an advantage that was not easy to compete against or imitate. Further, some authors recognized the dynamic environment in which the manager needs to operate. As a result, managers need to apply a variety of qualities, as well as skills, to deal with constant change. In sum, cognitive intelligence, emotional intelligence, and social intelligence were the broad qualities needed for a successful manager (Boyatzis, Lingham & Passarelli, 2010).

Larsen et al. (1991) argued that the successful implementation of technological change for technological skills and competencies in an organization required consideration of interrelationships between technical and non-technical (socio-technical) components. This is because the socio-technical systems perspective incorporated technology, structure and social dynamics as interdependent components of any organization. Non-technical components such as human resource management would be critical for the integration of technology with other facets of future organizational systems. Human skills or people management skills were considered important for successful technological change in the future. Managers should acquire interpersonal skills to enable them to deal more effectively with human resource management concerns.

While the above skills and competencies can be acquired, there is still a question over what the most effective mode of acquisition is. Larsen et al. (1991) categorized these modes as formal training or education, on-the-job experience, and experiences outside of their jobs. They argued that development of people management skills was important for successful technological transformation in an organization. They further argued that while technical skills could be acquired and refined through formal training, human relations skills might often be simply absorbed on the job (informal learning), rather than being integrated into management training. Managers could acquire informal learning experiences through the development of information sharing, communication and other interpersonal interactions.

Steensma (1996) argued that firms were becoming increasingly sophisticated in their fostering of technological skills and competencies. They encouraged them through varying levels of organizational interactions and inter-organizational collaborative methods such as licensing agreements, joint ventures, minority investments, and equity acquisitions.

Moving from an international to a local perspective, the call for collaboration to increase managerial skills was also raised in relation to New Zealand's managers. In a country like NZ, which is small in size and with limited resources, high research and development (R&D) expenditure may not be viable. Instead, there was recognition of the value of collaboration to encourage economic growth, especially in the exploration of external collaborations with other countries, specifically with Australia (Skilling, 2008). The United Nations Industrial Development Organization (UNIDO) also recommended firms, regions, and countries to connect with external entities for skills and technologies, exploit these relationships, and learn from one another (Harvey, 2003).

NZ was ranked low in terms of global competitiveness (The NZ Institute, 2007). In 2010, NZ ranked 23rd out of 139 countries on global competitiveness (down three from the previous year) where its main hurdle was a lack of export markets and a lack of adequate transportation infrastructure. NZ has lagged behind other developed countries with its international economic activity, especially exporting and foreign direct investment activities (Skilling & Boven, 2005). This is due to several reasons. First, technology-intense exports were low, as most exports were land-based (Skilling and Boven, 2005). Second, NZ had low R&D expenditure, as well as low rates of patenting, which ranked NZ low in terms of national innovation rates in comparison to other countries (Crawford, Fabling, Grimes & Bonner, 2007). NZ was called an average performer in OECD reports (McCann, 2009) and NZ's innovation ecosystem attracted less investment than other developed nations (Boven, 2009). Boven (2009) further suggested that NZ's economic prosperity may be hindered because of this.

However, NZ is not alone. Massey (2004) noted that governments around the world wish to increase the participation of businesses in various developmental programs. However, there is a lack of effective evaluation of these programs, as such evaluations fail to account for the business environment, particularly the owner's potential and the firm's potential for growth. Massey (2004) reviewed different approaches to classifying programs that assist businesses. However, these frameworks failed to evaluate the effectiveness of a program, since they did not provide a holistic understanding of a businesses' situation, ideal, and justification of a certain policy. Also, using these frameworks to help classify assistance to businesses did not always distinguish between those frameworks which are empirical and those which are theoretical, and hence may have failed to apply them appropriately. Policy makers traditionally examined their own services, the target group they were after, and the outcome they wished to achieve. None of them looked at what businesses need and what owners want (Massey, 2004).

Following her call to examine owners' needs empirically, Claire Massey collaborated with other researchers to examine the requirements of SME owners in NZ. Conducted in 2007, this study fills a gap in the literature where the supply side of external business assistance was examined with little regard to the demand side by SMEs (Lewis et al., 2007). They surveyed and interviewed the owner-managers of 51 SMEs in NZ and found that the majority of owner-managers sought professional help from lawyers and accountants while government agencies were the least used source of assistance. While this was a valuable contribution to the knowledge of NZ SMEs and services offered thereto, the fundamental question of what skills and competencies are required remained unanswered. Nuthall (2006) found that farmers in NZ failed to use systems such as accounting and budgeting packages. He argued that farmers' management skills and efficiency could be improved through the development of training packages. Both groups – farmers and professional consultants – believed that a wide range of important skills was required to improve farming efficiency and these skills were common across all farm types, age spectrums, educational backgrounds and the managerial styles used by the farmers. The critical skills included selecting and managing people, the components of information gathering and the use of the information in planning.

Though these studies cover the managerial aspects of farmers and SMEs, there is little published literature which seeks the opinion of managers in general within a NZ context. Our business landscape is predominately populated with SMEs, accounting for 97% of the total number of enterprises in 2009 (Ashley-Jones, 2009; Ministry of Economic Development, 2010). These are the same sector characteristics that were found in Europe by Storey (1994). The importance of SMEs to a nation's economic growth has been acknowledged widely (Storey, 1994; Audretsch, 2005; Lundström & Stevenson, 2005). Storey (1994) gave an overview of the SME sector in Europe and noted that SMEs accounted for 95% of enterprises in the European Community. Storey (1994) also raised the issue of interdependence between SMEs and large firms and claimed that both could benefit and prosper as they complemented each other's resources: the SME being flexible and innovative and the larger firm holding a larger pool of financial, labour, and managerial resources (Nieto & Santamaría, 2010; Rothwell, 1991; Smith et al., 1991; Davenport & Bibby, 1999; Christensen, 2006; Hughes, 2009; Bianchi et al., 2010). It has been shown that the collaboration of SMEs and large businesses can be beneficial to both, and this can be a source of up-skilling.

Though the importance of SMEs is widely acknowledged, the NZ government has raised some concerns about the lack of growth. The NZ Trade & Enterprise commission sought to investigate issues that may prevent SMEs from innovating (NZTE, 2009). The report's main focus was on the lack of managers' capabilities. In contrast to the NZTE (2009) report, the 2025 Taskforce (2009) report addressed the issues of past policies and claimed that, if given the opportunity, these same firms would "take on the world's markets with as much drive and commitment as businesses anywhere else in the world" (p.4). Whether there is a lack of managerial capability among NZ firms or if policy is a key barrier to growth, statistics show that NZ ranks low on global competitiveness and low on business sophistication (World Economic Forum, 2010). In a recent innovation survey, firms in NZ cited the top two barriers to business as lack of finance (19%) and lack of management resources (15%) (Statistics NZ, 2010). This opinion points to the issue raised in the NZTE (2009) report on a lack of managerial skills, and also lends itself to suggest a lack of enabling policy in terms of financial assistance.

This research is about managerial skills and competencies in NZ and how managers obtain them. However, some authors use the terms 'skills' and 'competencies' interchangeably (Caproni & Arias, 1997; Jurgen, 2008) while others differentiate between them by classifying the former as a subset of the latter (Caird, 1992; Carson et al., 2000; Grazeda, 2005; Müller & Turner, 2009). Still other authors consider 'skills' to be specific abilities while 'competencies' are regarded as abilities applied for non-routine tasks, mainly as "managerial resourcefulness" (Kanungo & Misra, 1992, p.1312; Kanungo & Menon, 2005, p.39). Caird (1992), much like Boyatzis, Lingham & Passarelli (2010), defined competency as "the ability to transfer skills and knowledge to new situations within the occupational area" (p.6). McClelland (1973) and Spencer & Spencer (1993) define competencies as both skills and personal attitudes. This confusion and lack of a clear terminology for 'competency' is well documented (Skulmoski & Hartman, 2009). Because of this confusion in the literature, and as our research is concerned with managers' ratings of various attributes that we have avoided defining; we have used the terms 'skills' and 'competencies' jointly and interchangeably in this study.

This research seeks a practical perspective from experienced NZ managers about how they perceive the relative importance of specific skills and competencies as well as how they have acquired them. The survey also collects data on the relevance of skills and competencies for the future.

Methodology

We developed a pre-structured questionnaire to gather primary data. The questionnaire consisted of 16 questions, all of a self-completion nature. Questions mainly required the respondents to use a five-point Likert scale or a ranking response.

The specific study questions covered a range of management skills and competencies including interpersonal, problem solving, teamwork, leadership, technical, communication, negotiation, coaching and crisis management skills. Furthermore, attributes were assessed covering honesty/integrity, emotional intelligence, trustworthiness, flexibility/adaptability, intelligence, self confidence, creativity, experience, reliability, and judgement.

Ethical approval was given by the ICL Ethics Committee and sample testing was undertaken on a small group of selected respondents for feedback. The final questionnaire was established on an independent survey server with a web-based design. A cover letter, participant consent sheet and the questionnaire were emailed to prospective respondents, who were invited to participate by completing the questionnaire online. The questionnaire's respondents were self selected, but participants were anonymous. The database used was provided by the NZ Institute of Management which consisted of 3400 members, individuals of organizations within NZ.

An email invitation was sent to all those who were Managers, CEOs, MDs, General Managers or individuals of similar status within organizations. The survey commenced on 5 August 2011 and closed on 16 September 2011.

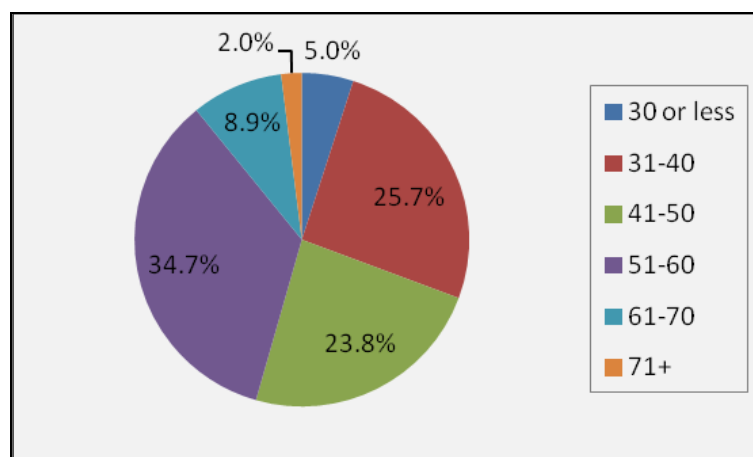
There were 109 responses to the survey. Eight responses were eliminated, as the positions shown were office managers or similar positions which did not indicate a major operational or managerial role. Therefore, 101 responses were finally used for analysis.

Results

With regard to the gender of the respondents, 67% were male and 33% female managers respectively. This study divided managers into six age groups, namely: 30 years or less, 31-40, 41-50, 51-60, 61-70 and 71 years and above.

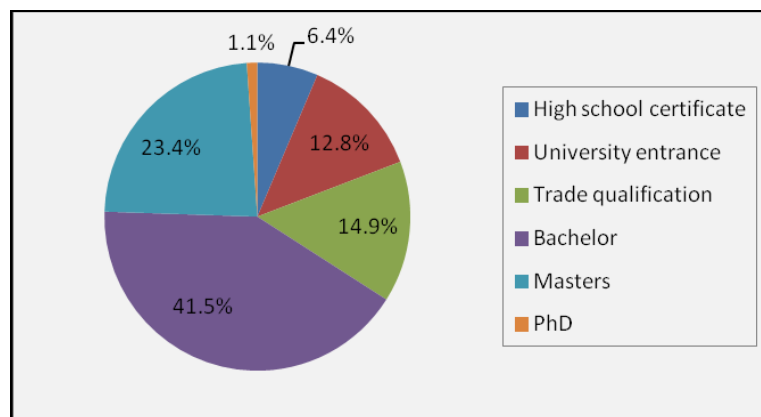
As shown in Figure 1, the majority of the respondents – 34.7% – were in the 51-60 age group followed by 31-40 age group, covering 25.7%. Similarly the 41-50 age group was also significant, covering 23.8% of the total respondents of the survey. All other age groups covered 15.9% of the total respondents.

Figure 1: Managers by age groups



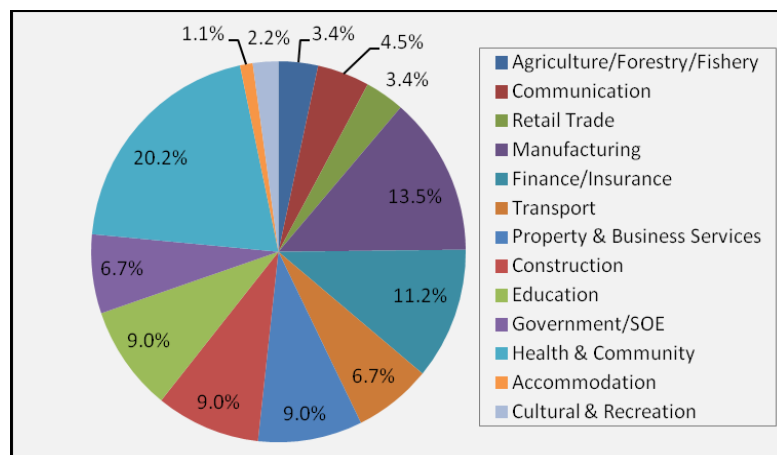
The educational qualifications of the respondents are shown in Figure 2. 41.5% had a bachelors degree and 23.4% a masters' degree. Other educational qualifications included trade qualifications, university entrance, high school certificate and PhD.

Figure 2: Managers by educational qualification



As shown in Figure 3, the respondents were from a diverse range of industries. The largest share of managers was within the health and community services area, covering 20.2% of the total respondents, followed by manufacturing with a share of 13.5%.

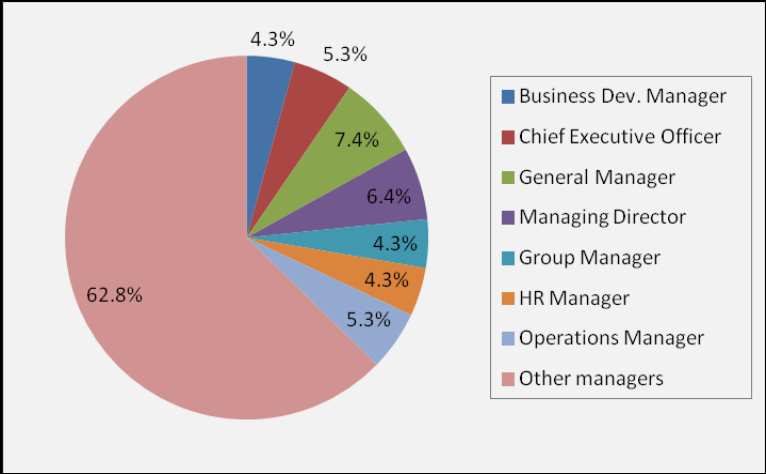
Figure 3: Managers by industry segment



Amongst the participating firms, 56.6% were not part of a large group. Conversely, 13.1% of firms were part of larger groups in NZ and 30.3% of firms were part of multinational corporations. Amongst the participating firms, 68.1% operated in the NZ market only. 5.3% operated in both the NZ and Australian markets, 11.7% in the Australian markets only and all remaining firms (14.9%) operating in other global markets including Asia, Europe and North America.

Figure 4 shows a diverse range of managerial positions, namely: Business Development Manager, Chief Executive Officer, General Manager, Group Manager, Managing Director, Human Resource Manager, Operations Manager and other managers. Other managers covered 62.8% of the total respondents of the survey.

Figure 4: Current managerial position of respondents



The descriptive statistics of the number of employees and current managerial position tenure is presented in Table 1. The mean, standard deviation, skewness and kurtosis were used for exploring the characteristics of the distribution of data. The average (mean) number of the firms' employees was 2288 and the average tenure of current managerial position was 5.5 years. The standard deviations for both variables – number of employees and current position tenure – were large relative to their respective means, suggesting that the data was dispersed far from the means. The positive values of skewness suggest a right skewed distribution of data where the means are greater than the medians for both variables. The positive values of skewness and large value of kurtosis indicate that the distribution of data was not normal and symmetric.

Table 1: Descriptive statistics of employee and current managerial position tenure data

Variables	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis
Number of employees	1	35000	2288.17	5401.504	3.989	18.445
Current position tenure (year)	.01	32.00	5.5647	6.48170	2.248	5.694

The survey investigated the importance of the following skills and competencies to enable managers to perform their managerial functions: interpersonal skills, problem-solving skills, teamwork skills, leadership skills, technical skills, communication skills, negotiation skills, coaching skills, crisis management skills and other skills. There were five options available for the respondents to select. The options were 'very important', 'important', 'neither important nor unimportant', 'unimportant', and 'very unimportant'.

Table 2 shows that 80% of the respondents rated both interpersonal skills and communication skills very important to perform their managerial functions. Similarly, problem solving skills and leadership skills were rated very important by 74 and 68% of the respondents, respectively. Less than 50% of the respondents rated all remaining skills very important.

Considering both 'very important' and 'important' options together, teamwork skills were rated the highest (supported by all respondents) followed by interpersonal skills, problem solving skills and communication skills (all three categories of skills supported by 99% of the respondents). Ranging from 84 to 97% of the respondents rated all remaining skills very important or important. This analysis suggests that NZ managers consider interpersonal skills, communication skills, and problem solving skills as very important for their managerial jobs.

Table 2: Importance of skills and competencies for performing managerial jobs

Skills and Competencies	Percentage of respondents				
	Very Important	Important	NINU	Unimportant	
	1	2	(1+2)	3	4
Interpersonal	80	19	99	1	0
Communication	80	19	99	1	0
Problem solving	74	25	99	1	0
Leadership	68	29	97	3	0
Teamwork	61	39	100	0	0
Negotiation	43	50	93	7	0
Crisis management	43	43	86	12	2
Technical	33	51	84	13	3
Coaching	32	57	89	11	0

Note: NINU – neither important nor unimportant

The study also examined the perceived relevance of current skills and competencies in the future as shown in Table 3. The respondents were given three options – 'stay the same', 'increase' and 'decrease'. The results showed that 69% reported that technical skills and crisis management skills would stay the same in the future. Similarly, 64% of the respondents selected the same option for crisis management skills. For all remaining skills and competencies, between 49 and 56% of the respondents selected the 'stay the same' option. On the other hand, 62% of the respondents reported that the relevancy of leadership skills would increase in the future. Similarly, between 32 and 49% of the respondents were of the opinion that the relevancy of all remaining skills and competencies would increase in the future. A very insignificant percentage of the respondents – 5% or less – thought that the relevancy of these skills and competencies would decrease in the future. Therefore, the findings of the survey indicate that the importance of the majority of skills will stay the same but the relevance of leadership skills will significantly increase, implying a higher demand for leadership-oriented courses and training for managers in the future.

Table 3: Relevance of skills and competencies in the future

Skills	Percentage of respondents		
	Stay the same	Increase	Decrease
Technical	69	26	5
Crisis Management	64	32	4
Negotiation	56	41	3
Teamwork	56	41	2
Coaching	55	43	2
Interpersonal	52	47	1
Problem solving	51	48	1
Communication	49	49	2
Leadership	36	62	2

The study investigated the main providers of training in managerial skills and competencies, both those currently used by managers and those managers might consider using in the future. The respondents were given options for four types of provider of skills development: private providers, associations, government agencies and other providers. Similarly, they were given three options to rank them according to their use – rank 1 being the most used and rank 3 being the least used provider.

Table 4 shows, 56.4, 29.6 and 14.1% of the respondents respectively ranked private provider, associations and government agencies at rank 1, most used provider. Similarly, 29.5, 50.7 and 16.9% of the respondents respectively rated private provider, associations and government agencies at rank 2. 14.1, 19.7 and 69% of the respondents respectively ranked private provider, associations and government agencies at rank 3. This result suggests that private providers are generally the preferred choice and government agencies are the least preferred providers of training in managerial skills and competencies.

Table 4: Ranks of providers of training in managerial skills and competencies

Providers	Percentage of respondents		
	Rank 1	Rank 2	Rank 3
Private provider	56.4	29.5	14.1
Associations	29.6	50.7	19.7
Government agencies	14.1	16.9	69.0

Table 5 examines the methods managers use to acquire skills and competencies. These methods include formal training/education, on the job experience, conferences/trade shows, community activities, in-house training and other methods. The respondents were given three options to rank each of these methods for acquisition of managerial skills and competencies, 1 being the most used and 3 being the least used method.

Amongst these methods, 67.7% of the respondents ranked 'on the job experience' first. Similarly, between 10.5 and 30.1% of the respondents ranked all remaining methods first. Amongst the respondents, 47.3% ranked formal training/education second followed by in-house training with 38.2% of the respondents. Amongst the respondents, 77.8, 66.7 and 51.3% ranked conferences/trade shows, community services and in-house training third.

These findings suggest that managers use the 'on the job experience' method the most and the 'conferences/trade shows' method the least to acquire skills and competencies, implying that firms rely more on their managers' job experience for developing skills and competencies than more formal acquisition or training.

Table 5: Methods used to acquire managerial skills and competencies by rank

Methods	Percentage of respondents		
	Rank 1	Rank 2	Rank 3
On the job experience	67.7	19.4	12.9
Formal training/education	30.1	47.3	22.6
Community activities	16.7	16.7	66.7
Conferences/trade shows	16.7	5.6	77.8
In-house training	10.5	38.2	51.3

Table 6 shows the respondents' accuracy and consistency in selecting the most important and the least important providers and methods for obtaining skills. The respondents were asked about the importance of providers and methods for acquisition of skills and competencies. The five options offered were very important, important, neither important nor unimportant, unimportant and very unimportant.

The results showed that 74.2% of the respondents considered 'on the job experience' a very important method followed by formal education or training methods (39.1%) for obtaining skills and competencies. Only 19.8% of the respondents suggested that using a private provider was a very important method for obtaining these skills and competencies. Similarly, more than 90% of the respondent did not consider using associations or government agencies particularly important ways for obtaining these skills and competencies.

Table 6: Importance of providers and methods for obtaining skills

Providers/methods	Percentage of respondents					
	VI 1	Important 2	(1+2)	NINU 3	Unimportant 4	VU 5
On the job experience	74.2	23.7	97.9	1.1	0.0	1.1
Formal training/education	39.1	52.2	91.3	5.4	3.3	0.0
In-house training	23.9	58.7	82.6	16.3	1.1	0.0
Private provider	19.8	49.5	69.3	23.1	4.4	3.3
Associations	8.9	46.7	55.6	34.4	7.8	2.2
Government agencies	3.4	19.5	22.9	39.1	25.3	12.6
Conferences/trade shows	3.3	35.2	38.5	34.1	18.7	8.8

Note: VI – Very important, NINU – Neither important nor unimportant, VU – Very unimportant

Finally, in Table 7 the study investigates the importance of key attributes for managerial jobs. The attributes included in the questionnaire were honesty/integrity, emotional intelligence, trustworthiness, flexibility/adaptability, intelligence, self-confidence, reliability, creativity, experience, judgement and other attributes. There were five options offered namely: very important, important, neither important nor unimportant, unimportant and very unimportant.

After ranking the attributes results from highest to lowest it was found the respondents considered 'honesty/integrity' the most important (78.5%) and 'creativity' the least important (32.3%). This low result for creativity will be addressed again in the discussion below. Amongst the respondents, 74.2 and 71% respectively considered trustworthiness and judgment very important attributes.

Considering both very important and important options, all respondents rated trustworthiness and flexibility/adaptability very important or important attributes; 99% rated 'judgment' a very important or important attribute; 98.9% rated the following three attributes very important or important: honesty/integrity, emotional intelligence, and intelligence. Similarly, more than 95% rated self-confidence and reliability very important or important. Creativity was ranked the lowest with just over 86% considering it very important or important. This result suggests that all personal attributes are important for managerial jobs with trustworthiness and flexibility/adaptability rated the highest and creativity the lowest.

Table 7: Importance of attributes for managerial jobs

Attributes	Percent of respondents				
	VI 1	Important 2	(1+2)	NINU 3	Unimportant 4
Honesty/integrity	78.5	20.4	98.9	1.1	0
Trustworthiness	74.2	25.8	100	0.0	0
Judgment	71.0	28.0	99	1.1	0
Flexibility/adaptability	65.6	34.4	100	0.0	0
Self confidence	57.0	38.7	95.7	4.3	0
Emotional intelligence	56.0	42.9	98.9	1.1	0
Intelligence	54.8	44.1	98.9	1.1	0
Reliability	53.8	43.0	96.8	3.2	0
Experience	46.7	47.8	94.5	5.4	0
Creativity	32.3	53.8	86.1	12.9	1.1

Note: VI – very important, NINU – neither important nor unimportant, VU – very unimportant

Summary

The findings and analysis suggest that both interpersonal skills and communication skills are very important for performing managerial jobs. Likewise, problem-solving skills, leadership and teamwork are also important to NZ managers.

The majority of the respondents indicated that the relevance of leadership skills will increase in the future but the relevance of technical skills, crisis-management skills, team-work skills, interpersonal skills and problem-solving skills will remain the same.

The majority of the managers acquired their skills and competencies using an 'on the job experience' method, and other methods for obtaining these skills and competencies were rated low. But when managers did use formal training in the acquisition of managerial skills and competencies they favoured private training providers at the expense of government agencies.

The key attributes rated most highly were honesty/integrity, trustworthiness and flexibility/adaptability. Creativity was the attribute rated the least important.

Discussion and Conclusion

This study aimed to investigate the skills, competencies, and attributes that NZ managers deem necessary to meet their responsibilities. It also sought to identify the skills managers expect to be important in the future. This is a novel investigation in the sense that such information from the perspective of managers in NZ is lacking in the literature. It is significant that a good deal of the cited literature dates back to the 1970s and 80s; such is the paucity of more recent commentary.

The most important skills, according to the survey, were 'interpersonal skills' and 'communication skills' followed closely by 'problem-solving skills'. The importance of interpersonal skills, communication skills, and problem-solving skills may be a direct indication of the way managers perceive their role in the firm, in the way Bartlett and Ghoshal (1992) found managers perceived themselves to be the strategist, architect, and coordinator. In a different study, however, Jeou-Shyan et al. (in press) found problem-solving skills as one of the three most important skills coupled with leadership and crisis management.

However, 'leadership skills' were thought by most of the managers to be of importance in the future, followed by 'communication skills' and 'problem-solving skills'. It would be interesting to investigate this further and ascertain why leadership skills are not perceived as important in the current business environment. The literature points to the relevance of leadership skills to all projects (Armstrong, 2008; Dreyfus 2008; Goleman, Boyatzis, & McKee, 2002; Dulewicz & Higgs 2000; 2003). Perhaps NZ managers consider 'interpersonal skills' as more closely related to managing people than 'leadership skills'. Future work is needed to understand better the definitions of such terms in the psyche of NZ managers.

Skills can be applied most effectively when combined with the necessary attributes (Mintzberg, 1975; Kotter, 1982; Khurana, 2008). Managers in this study listed 'honesty/integrity' as the most important attribute, followed by 'trustworthiness' and 'judgment'.

The literature shows that coaching skills and emotional and intellectual competencies are relevant to all types of projects (Ladyshevsky, 2010; Ray, 2011; Boyatzis, 2008, Cangemi, Lazarus, McQuade, Fitzgerald, Conner, Miller, & Murphree, 2011; Müller & Turner, 2009; Boyatzis, Lingham & Passarelli, 2010) and that emotional intelligence as well as interpersonal skills cannot be trained but are dependent on experience (Dreyfus, 2008; Larsen et al., 1991). Our study shows that managers rated 'honesty' as the most important attribute, much like Fisher (2011), who also added high motivation and the ability to influence others through trust. The ability to gain trust, highly rated by managers in our study, can lend itself to the ability to influence others as Fisher (2011) indicated. However, while 'honesty' and 'trustworthiness' ranked high amongst managers in NZ, we suspect that this is due to cultural perceptions (Tyler, 2001), as it was not a recurrent factor in the literature. This needs to be further investigated to recognize whether it is true in the case of NZ only or other national cultures as well. If it is in the case of NZ only, providers need to recognize the unique business environment and cater for managerial needs accordingly. Examining the context is exactly what Massey (2004) was raising in her article with regard to government training programs. And the 2025 Taskforce (2009) report indicated the shortage of past policies to assist with the growth of NZ businesses.

The least important attributes according to the surveyed managers were 'creativity' and 'experience'. The lack of importance attributed to creativity can perhaps explain why NZ is lagging behind other countries in terms of innovation and global competitiveness (The NZ Institute, 2007; Crawford, Fabling, Grimes & Bonner, 2007; McCann, 2009). Creativity is important for innovation (Bassett-Jones, 2005) but managers in our survey failed to consider this. Such a lack of focus on creativity should arguably be causing owners and directors concern over the future competitiveness of their companies. Though Kotter (1982) rated experience as important to an overall high performance, managers in NZ do not agree with this either (experience was rated second lowest), again an issue which might be a cause for concern among owners and directors. Although the similarities and differences in skill requirements by NZ managers are of importance, this study also aimed to identify where managers turn to up-skill.

With regard to training providers, Lewis et al. (2007) conducted a study of NZ business owners and showed that they rarely used government agencies for external advice but rather prefer to use private professionals. This study shows similar results. Managers noted that in order to up-skill they are more likely to use a private provider, followed by associations, and government agencies the least. However, the managers we surveyed up-skill predominantly 'on the job'. The lack of appeal of government agencies in attracting managers to up-skill is of concern, considering the efforts and investment of governments into engaging businesses in their developmental programs (Massey, 2004). Furthermore, the perception that no other method or external entity can provide the same return as 'on the job experience' indicates a lack of understanding of the value of combining different methods to increase experience (Dreyfus, 2008; Larsen et al., 1991).

Although NZ managers indicated that the most preferred method to up-skill was 'on the job', they also indicated that 'experience' is not an important attribute. This dichotomy led us to think that managers may perceive previous experience as not being as important as learning job competencies specific to a current role, or that there is a lack of understanding of the value of other methods to gain experience. Though high emotional intelligence correlates positively with significant experience (Dreyfus, 2008), NZ managers did not correlate these two attributes in their ratings of importance. Larsen et al. (1991) also indicated that interpersonal skills are important for successful people management in the implementation of technological changes and that these skills can be developed through 'on the job' or 'outside the job' experience.

The study did not cover collaboration efforts as a viable option to up-skill. Another point to consider is that utilizing 'on the job experience' as the major avenue for managers to obtain skills is indicative of, perhaps, a lack of useful programs for managers, as indicated by Massey (2004) and Nuthall (2006), or a lack of understanding by managers of the values of other methods. As indicated above, 'formal training' was the second preferred method, while conferences and government agencies were the least preferable methods. There may be a number of reasons for not opting for these methods that need further investigation.

Though the study raised some similarities to the literature in identifying the major skills managers in NZ deem important to their roles and how these competencies are obtained, it also indicated the differences, in that managers do not see leadership and experience as particularly important. However, it was encouraging that leadership skills were thought to increase in importance in the future.

The study's limitations included the low response rate, which did not allow for generalization to the total population of NZ Managers. Furthermore, Small Medium Enterprises (SMEs) make-up 97% of the NZ business landscape but the mean of the number of employees in our study was 2,288, which is not reflective in general of NZ. Similarly, the make-up of businesses in the study does not generally reflect that of NZ as a large number of managers came from the health and community sector followed by manufacturing, whereas the health sector represents approximately only 3.6% and manufacturing only 4.45% of the NZ industry respectively (Statistics NZ, 2011). There was little we could do to mitigate this as this was a self-selecting survey based on a given database.

The majority of results in this study were found to reflect those found in the literature, such as the need for interpersonal, communication, and problem-solving skills; the need for honesty and good judgement as valued attributes; as well as the lack of use of government agencies to up-skill.

There were some significant differences from the findings of the literature, such as the lack of recognizing experience and creativity for managers. And leadership skills were only recognized to be important in the future. Also, the literature suggested the value of 'honesty' to build trust; this seemed to be of particular importance to NZ managers because 'honesty' and 'trustworthiness' were rated first and second respectively. Coaching skills were found to be the least important skills to have, according to our survey, contrary to the literature. We recommend a closer examination of the importance of innovation, collaboration efforts, and the different types of training programs for NZ managers, which are beyond the scope of this study. If leadership skills are to increase in importance it is essential to understand how to address this demand in the future and furthermore how to educate managers in its importance in today's business environment.

The critical issue for managers today is to identify the importance of leadership skills beyond merely interpersonal and communication skills but rather the coaching elements of leadership: to guide and to foster creativity to enhance innovation so NZ will not lag behind but instead lead in excellence. Honesty and trustworthiness are fine attributes, important to instil confidence and are beneficial for motivating employees. However, a far greater emphasis on creativity should also be developed to encourage managers further to shape their futures, rather than be shaped by them. This will enhance New Zealand's innovation environment as well as help the country to position itself better in the global competitive marketplace.

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