



HENLEY MANAGEMENT COLLEGE

SWEDEN, FINLAND & DENMARK - MANAGEMENT TRENDS SURVEY 2005

The Henley Management Trends Survey reflects the current thinking of managers in Denmark, Finland and Sweden, highlighting the issues they are addressing and prioritising and the way they see their management roles developing in the future. This document provides a quick comparison of the results of the two Surveys with comments by Professor Malcolm Higgs. Professor Higgs is Director of the School of Leadership, Change and HR and Director of Research at Henley Management College.

The survey was carried out during spring 2005. The surveys were accomplished in cooperation with IHM Business School in Sweden, IME in Finland and with kind assistance from leading Nordic HR associations; **Sveriges HR Förening**, **The Finnish Association of Human Resource Management HENRY** and **Personalechefer i Danmark**. In all some 800 managers replied to the surveys, distributed as follows:

Country	Line Managers	HR Managers
Denmark	114	56
Finland	140	140
Sweden	160	150

Henley Management College

Henley Management College is one of the major players in providing management education and development services through an international network of partners in some 20 countries worldwide. Henley has operated in Denmark, Sweden and Finland since the 1980s, working with major companies and their managers to improve business and managerial performance.

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INTRODUCTION BY PROFESSOR MALCOLM HIGGS

This broad commentary relates to the data provided from the management trends survey conducted in Sweden, Finland and Denmark in 2005. The survey obtained views from both line and HR managers in a sample of organisations in each country.

The commentary is presented under the broad categories in the survey and looks at both comparisons between countries and between HR and line perceptions.

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ESSENTIAL MANAGEMENT QUALITIES

Managers were asked to identify which qualities they considered to be the most essential for a manager in their own business environment.

In looking at the line perceptions of essential qualities the responses from Finland are notably different with a greater emphasis on business-related qualities (e.g. organising, prioritising and customer responsiveness) and lower emphasis on personal/interpersonal qualities (e.g. listening).

The qualities identified by HR managers are interestingly different and include both change management and teamworking which are not mentioned by the line.

Overall the HR/line differences are not surprising as there is evidence of this from similar studies in other countries (notably UK and USA). This difference manifests itself in many of the following sections. In a broader sense it is evident in the growing debate around the future role of HR and the need for the function to build greater engagement with the business.

Line Managers	Sweden	Finland	Denmark
Time management	3,5	4,4	2,2
Listening	8,1	3,8	7,7
Time spent with colleagues	0,8	0,3	0,6
Customer responsiveness	9,2	14,1	6,7
Putting in long work hours	0,4	0,0	0,0
Intelligence	2,9	2,2	2,6
Professional expertise	5,9	6,9	5,8
Coaching & support	18,5	16,3	20,8
Goal orientation	15,1	12,2	12,5
Delegation skills	8,8	4,7	11,5
Organising & prioritising skills	12	20,0	12,8
Vision & planning skills	14,5	15,0	16,0
Other	0,4	0,3	1,0
Time management	3,5		
TOTAL	100,1		

HR: What do you consider to be the most important qualities for a manager in your organisation to have?

HR Managers	Sweden	Finland	Denmark
Teamwork skills	4,4	4,3	5,8
Time management skills	0,6	0,0	0,0
Listening, communicating	12,5	6,4	4,7
Customer responsiveness	6,3	14,3	5,8
Professional expertise	8,8	10,7	10,5
Change management	10,0	13,6	8,1
Coaching & developing employees	40,6	25,7	39,5
Goal orientation	14,4	24,3	22,1
Other	2,5	0,7	3,5

MEASURING MANAGEMENT PERFORMANCE

Line managers were asked “How do you measure your own performance?”

Whilst line managers in all three countries consider business and financial targets to be an important performance measure it is interesting to note that it has a significantly higher rating within Finland whilst feedback indicators are significantly lower. This aligns with the section on management qualities and possibly indicates a more results-focused and less people-focused business culture.

Once again notable differences between line and HR views are encountered in all three countries.

Line Managers	Sweden	Finland	Denmark
By meeting financial / business targets	32.2	57,6	38,3
By receiving feedback from subordinates	9.5	0,8	5,6
By receiving feedback from superiors	17.5	3,4	15,9
By receiving feedback from customers	15.5	4,2	0,9
By receiving feedback from suppliers / associates	4.1	0,0	0,0
By securing promotions	1.0	0,0	0,0
By formal appraisal measures *)	18.3	29,7	30,8
Other	1.8	4,2	8,4

*) = Swedish "utvecklingssamtal"

HR Managers were asked the same question and replied as follows:

HR Managers	Sweden	Finland	Denmark
By meeting financial/business targets	17,3	19,8	24,5
By receiving feedback from subordinates	11,0	13,3	11,3
By receiving feedback from superiors	20,4	17,3	25,0
By receiving feedback from customers	16,5	18,5	15,2
By receiving feedback from suppliers/associates	5,0	3,4	3,9
By securing promotions	0,5	0,3	0,5
By formal appraisal measures (= "utvecklingssamtal")	28,5	26,2	18,1
Other	0,8	1,2	1,5

HR Managers were also asked: “How do you measure the performance of individual managers in your organisation?”

	Sweden	Finland	Denmark
By meeting business targets	30,0	25,7	33,9
By feedback from team/superiors/customers	28,1	14,3	28,0
By formal appraisal measures (= "utvecklingssamtal")	35,6	51,4	32,7
Not measured	5,0	2,9	3,6
Other	1,3	5,7	1,8
Total responses	100		

DEVELOPING PERFORMANCE & CAPABILITIES AS A MANAGER

Line managers: “On average, how much time per year do you devote to learning / developing your management skills and knowledge in dedicated time spent on training courses?”

The amount of time line managers report spending on formal training courses is broadly similar with a significant number in the five or more days’ category (Denmark is the highest in this category). However, in looking at the preferences for development methods there is an interesting difference. Finnish managers show a lower level of interest in coaching and mentoring than those in either Sweden or Denmark. To an extent this may be a consequence of the potential differences in business cultures identified above.

The HR descriptions of development support offered are broadly similar. However, it is interesting to note that MBA/professional development is relatively low when compared to the line valuation of this. In a later section (career development) potential future mobility is indicated. It may therefore be that the line value this input more as a means of achieving mobility than enhancing current performance.

It is noticeable that the ratings on coaching and mentoring in the HR responses mirror the country differences with Sweden and Denmark being higher on coaching and mentoring. This raises an interesting question. To what extent are line perceptions of the value of coaching and mentoring a reflection of HR’s promotion of these interventions?

In terms of budgets Finland had a higher proportion of respondents who used development budgets and a higher per capita spend. This seems to be in line with the greater emphasis on formal training in Finland. The overall pattern may indicate that Finnish organisations perceive training and development interventions as more external to and adjunct to the business whereas in Sweden and Denmark the interventions may be seen as being more integrated with the business.

	Sweden	Finland	Denmark
None	4.4	1,7	0,0
1 day per year	8.2	1,7	4,7
2 - 5 working days per year	26.6	31,4	13,1
> 5 working days per year	60.8	65,3	82,2
Total responses			

Line managers: “What measures do you prefer to develop your own performance and capabilities as a manager?”

	Sweden	Finland	Denmark
Attending seminars and conferences	5.1	8,4	5,0
Attending management short courses	4.6	5,4	3,7
Studying for an MBA or other professional qualifications	22.3	25,2	26,8
Receiving executive coaching	12.0	--9,1	16,7
Mentoring	15.6	6,7	9,0
Appraisal and feedback	16.3	19,8	15,7
Reading management guides	3.2	3,7	1,7
Networking with managers from other companies	17.7	20,5	20,1
Speaking at seminars	3.0	1,0	1,0
Other	0.2	0,3	0,3
Total responses			

HR: “How does your organisation help develop the performance and capabilities of managers in the organisation?”

	Sweden	Finland	Denmark
In-house management development programmes	22,2	24,0	20,2
External short courses	11,9	12,0	13,3
MBA or other professional qualifications	2,5	5,1	10,3
Seminars and conferences	16,5	13,8	15,6
Executive coaching	8,3	4,9	7,6
Appraisal and feedback	18,3	22,8	16,3
Mentoring	8,0	5,4	4,9
Professional networking with other managers	9,9	9,5	8,0
Speaking at seminars	1,6	1,8	3,4
Other	0,7	0,8	0,4
Total responses	100		

Do you have an annual budget for management training and development?

	Sweden	Finland	Denmark
Yes	64,8	76,3	60,0
No	35,2	23,7	40,0
Total Responses:	100		

If YES, how much did it provide per person 2004 (in SEK)?

	Sweden	Finland	Denmark
<10000 SEK less than 1000 euros (FIN)	49,5	25,2	30,8
10000-20000 SEK (1000 – 2000 EUR Finland)	31,4	42,7	46,2
More than 20000 SEK (more than 2000 EUR Finland)	19,0	32,0	17,3
Total			

WORK : LIFE BALANCE?

Respondents were asked to rate their balance between work and home life, i.e. "of time awake".

"Amongst line managers the patterns appear broadly similar across all three countries. However, notably Finland has the highest proportion in the category who claim that the work/home ratio is 80/20 (i.e. 80% work). This does appear to indicate significant imbalance.

The overall pattern again is broadly similar amongst HR managers with the exception of Denmark where the highest proportion report that only 40% of their time is at work (clearly a good country in which to be an HR manager!)."

Line managers	Sweden	Finland	Denmark
10 % work 90 % home	0.0	0,0	0,0
20 % work 80 % home	0.6	0,8	1,9
30 % work 70 % home	0.0	0,8	1,9
40 % work 60 % home	8.8	5,1	13,1
50 % work 50 % home	15.7	19,,5	17,8
60 % work 40 % home	32.7	30,5	29,0
70 % work 30 % home	30.8	27,1	28,0
80 % work 20 % home	8.8	13,6	6,5
90 % work 10 % home	2.5	2,5	1,9
Total			

HR managers	Sweden	Finland	Denmark
10 % work 90 % home	0,6	0,7	1,2
20 % work 80 % home	0,0	0,0	1,2
30 % work 70 % home	1,2	3,6	1,2
40 % work 60 % home	11,2	5,8	6,0
50 % work 50 % home	19,9	15,1	19,0
60 % work 40 % home	35,4	36,7	36,9
70 % work 30 % home	24,8	29,5	27,4
80 % work 20 % home	5,6	6,5	6,0
90 % work 10 % home	1,2	2,2	1,2
Total			

Stress

On a scale of 1-5, how would you describe your attitude towards work? (1= being total enjoyment/stress free and 5 = being displeased/extremely stressed)

"Respondents were asked to rate stress levels on a 1 to 5 scale with 1 being low and 5 being high and 3 neutral. Thus only rating 4 and 5 indicate stressed respondents. Using this as a basis there were broadly similar patterns across all three countries for both line and HR managers with around 20% being in the stressed category. The only exception to this pattern was found amongst HR managers in Denmark where none fell into the stressed categories. Perhaps this reinforces the point made above!"

Line managers	Sweden	Finland	Denmark
1	7.0	4,3	7,5
2	38.0	43,6	46,7
3	36.7	35,9	34,6
4	15.2	14,5	10,3
5	3.2	1,7	1,0
Don't know	0.0	0,0	0,0
Total responses	100%		

HR managers	Sweden	Finland	Denmark
1	1,9	7,9	13,1
2	41,6	48,6	47,6
3	36,0	28,6	30,9
4	17,4	12,1	-7,1
5	1,2	2,1	0,0
Don't know	1,9	0,7	1,2
Total Responses:	100%		

Improving life balance

Managers were also asked how they thought they could be more effective at achieving a greater balance between their work and home lives:

The responses in this section were interesting with similar patterns both between countries and between HR and line managers. One minor exception is line managers in Denmark who place more importance on feedback from superiors. However, the most notable point about this section is that the majority of action, which were identified as improving work/life balance are personal. In other words actions the individual can take rather than organisational actions.

Line managers	Sweden	Finland	Denmark
No need for that, I'm satisfied with my life balance	14.0	10,4	11,3
Improve time management	10.9	17,5	13,9
Delegating work	9.7	11,2	13,0
Develop my management skills	8.5	7,6	9,7
More support staff available	11.2	10,4	9,7
Able to say NO	8.8	9,6	7,6
Better feedback from superiors	6.1	1,2	13,9
Better prioritising	11.2	15,5	8,4
Reduce travelling	7.3	8,4	8,0
Flexible working	8.8	6,8	4,6
Other	3.3	1,6	

HR managers	Sweden	Finland	Denmark
No need for change, I am satisfied with my life balance	15,0	12,5	
Improve time management	8,2	17,8	11,3
Delegating work	8,2	11,6	13,9
Develop my management skills	5,6	4,6	13,0
More support staff available	9,7	9,6	9,7
Able to say NO	14,7	14,2	9,7
Better feedback from superiors	7,5	3,3	7,6
Better prioritising	14,7	17,5	13,9
Reduce travelling	6,3	3,0	8,4
Flexible working	8,8	5,0	8,0
Other	1,3	1,0	4,6

THE MANAGEMENT FUTURE

Careers

Across all three countries around 50% of respondents indicated a desire or potential intention of changing jobs (either as soon as possible or if an opportunity arose). Around 30% to 40% indicated a change to another company. Intention or desire to change job is seen (as shown by research) to be an indicator of commitment. Therefore, this result should be seen as a cause for some concern and an area worth investigating in more detail.

Actions to Motivate and Retain

The actions, which HR identified as being valuable in motivating and retaining staff showed a range of differences across the countries. Sweden and Denmark placed training and development at a higher level than Finland. However, this is not surprising given the greater emphasis on training and development currently seen in Finland (see above). In Denmark there is a higher emphasis on improving benefits and in both Sweden and Denmark a higher emphasis on career opportunities. Interestingly, only the Finnish HR managers identified improving leadership and managerial as a potential action.

Differences between HR and line managers were interesting. In particular the line saw action on salary and benefits as more important than HR. Again interestingly across all three countries line managers identified improving leadership and managerial competencies as a significant factor. In Sweden and Denmark cultural interventions (including involvement) were seen as significant by line managers.

This section, in its diversity of interventions identified, illustrates the value of looking at employee engagement and retention in the context of a total reward strategy. This entails considering financial rewards, benefits, development and leadership/culture as a total package which needs to be in balance. Recent research in the UK has shown that using such a framework leads to business advantage through being perceived as an “employer of choice”.

When do you envisage your next career move?

Line managers	Sweden	Finland	Denmark
Change as soon as possible	13.2	11,0	15,9
Change if something better turns up	37.7	40,7	42,1
Change only if an exceptional opportunity turns up	36.5	37,3	33,6
Don't know	9.4	5,1	8,4
Continue until retirement	3.1	5,9	0,0
Total			

Will this be within the same organisation or with another employer?

Line managers	Sweden	Finland	Denmark
Same	13,2	20,3	11,2
Another	42,1	35,6	30,8
Don't know	44,7	44,1	57,9
Total			

HR: "How is your organisation planning to motivate and retain its managers to encourage them to stay longer in your employment?"

HR managers	Sweden	Finland	Denmark
Training & development	23,7	13,1	21,4
Incentives (benefits, support)	8,1	4,6	14,0
International relocation	3,0	1,5	3,9
New challenges at work	16,4	12,0	16,2
Appraisal & feedback	15,4	9,6	11,4
Career opportunities	9,4	1,1	9,6
Work life balance programme	2,1	1,5	3,5
Higher salary/bonus	5,1	4,4	7,0
By encouraging teamwork	6,7	2,0	4,8
Support	6,0	0	3,5
Life & career planning	2,3	2,4	3,1
Other Challenging work (Finland)	1,8	11,4	1,7
Total Responses:	100		
Training and individual development plans		9,6	
Good leadership and management practices		8,5	

What do you think your organisation ought to do to motivate and retain you as a valuable future employee in the long term?

Line managers	Sweden	Finland	Denmark
Improve top management competence/performance in the organisation	10,3	10,3	9,0
Improved career prospects	10,1	8,2	13,1
More challenges at work	4,0	11,9	5,9
Individual development plan	10,4	6,0	10,5
Flexible working hours	2,4	3,1	2,6
Good appraisal/feedback	8,2	4,6	10,0
Working/travelling abroad	2,6	3,8	1,8
Professional development	7,1	-	8,0
Recognition	4,7	-	5,7
Salary/benefits development	12,5	9,5	11,1
Studying/training	5,4	5,5	2,6
Work fewer hours	2,1	2,2	1,3
Create a fun and enjoyable atmosphere	8,0		6,4
Involvement in strategic decisions	10,3		10,8
Other	1,9	0,7	1,3
Total responses			
Incentives (benefits, support)		9,1	
Company values and ethical standards		2,7	
Voluntary pension schemes		2,4	
By encouraging teamwork		0,9	

Business growth?

How do you expect the demand for your organisation's products to develop 2005-2006?

The pattern of anticipated growth over the next 12 months was broadly similar across all three countries. Interestingly HR, whilst showing similar patterns, were less optimistic than line managers (with an exception to an extent in Denmark). The HR/line difference may indicate differing levels of business understanding and engagement.

Line managers	Sweden	Finland	Denmark
Grow > 15%	23,9	15,3	20,6
Grow 5-15%	49,7	54,2	46,7
No major change (+/- 5%)	22,6	28,8	27,1
Drop 5-15%	2,5	0,8	4,7
Drop > 15%	1,3	0,8	0,9
Total			

HR managers	Sweden	Finland	Denmark
Grow > 15%	8,8	12,1	18,5
Grow 5-15%	49,1	49,3	51,9
No major change (+/- 5%)	39,6	37,1	27,2
Drop 5-15%	1,9	0,7	1,2
Drop > 15%	0,6	0,7	1,2
Total:	100		

Top 5 management issues

What do you consider to be the major issues for your organisation to face in achieving successful performance in 2005 and 2006?

"In this section it is more difficult to ascertain a specific pattern. It is broadly noticeable amongst line managers that the higher of the top five issues in Finland are more business-focused (this is in line with the findings discussed earlier). In Sweden the pattern across the top 5 is mixed and in Denmark there is greater emphasis on the less tangible (i.e. motivation and innovation). In all countries Talent Management (i.e. attraction and retention) appears as a top 5 issue. This is certainly in line with a pattern internationally.

Once again HR and the line differ with HR putting higher priorities on people and organisational cultural issues. One notable point is that in Finland HR did not include Talent Management in their top 5."

Line managers' priorities

Sweden	Finland	Denmark
1. Cost efficiency / process development	1. Operational excellence/quality	1. Motivated staff
2. Motivated staff	2. Understand how the economy, industry or market will develop	2. Understand how the economy, industry or market will develop
2. Market strategy and performance	3. Market strategy and performance	3. Innovation
3. Understand market/business trends	4. Attract/retain key staff and	3. Market Strategy and Performance
4. Internal communication/Info systems	4. Motivated staff	4. Operational Excellence/quality
5. Attract & retain key staff		4. Attract/retain key staff
		5. Top management & Performance

HR managers' priorities

Sweden	Finland	Denmark
1. Flexible, adaptable organisation / work force	1. Operational excellence/quality	1. Motivated staff
1. Be attractive employer with motivated staff	2. Motivated staff	2. Innovation
2. Cost reduction	3. Innovation	3. Understand how the economy, industry or market will develop
3. Operational excellence/quality	4. Understand how the economy, industry or market will develop	3. Market Strategy and Performance
3. Market strategy and performance	5. Market strategy and performance	4. Operational excellence/quality
4. Attract & retain key management staff		5. Attract/retain key staff
5. Improve internal communication to sync organisation		

HR COMPETENCE PRIORITIES

To cope with the issues to improve the performance, in which areas would you like to strengthen the role of HR?

Comment:

The responses here were broadly similar across all three countries. In general terms there seems a growing recognition of the need for more business-related and strategic competencies plus change management. This is very much in line with worldwide patterns and with the need identified for HR to become more integrated with the business.

HR managers	Sweden	Finland	Denmark
Strategy	40,9	26,8	27,5
Change management/business transformation	26,4	31,9	37,5
Managing Human Capital	30,2	39,1	32,5
Administration	1,9	2,2	2,5
Other	0,6	0,0	0,0
Total Responses:	100		

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