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**Overview of a Competitiveness Study
About Managerial Decision Making**

Three empirical studies „In Global Competition”

1996

- Big export-oriented companies
- N = 325
- Respondents:
CEO,
financial manager,
marketing manager,
production manager

1999

- Mainly SMEs operating on the domestic market
- N = 319

2004

- Medium-sized manufacturing companies in mostly domestic ownership
- N = 301

The sample and the survey

The sample

- independent legal entities employing over 50 people
- representative based on the number of employees and regional distribution
- relevant responses from 301 companies (1300)
- rate of response was 23 percent

The survey

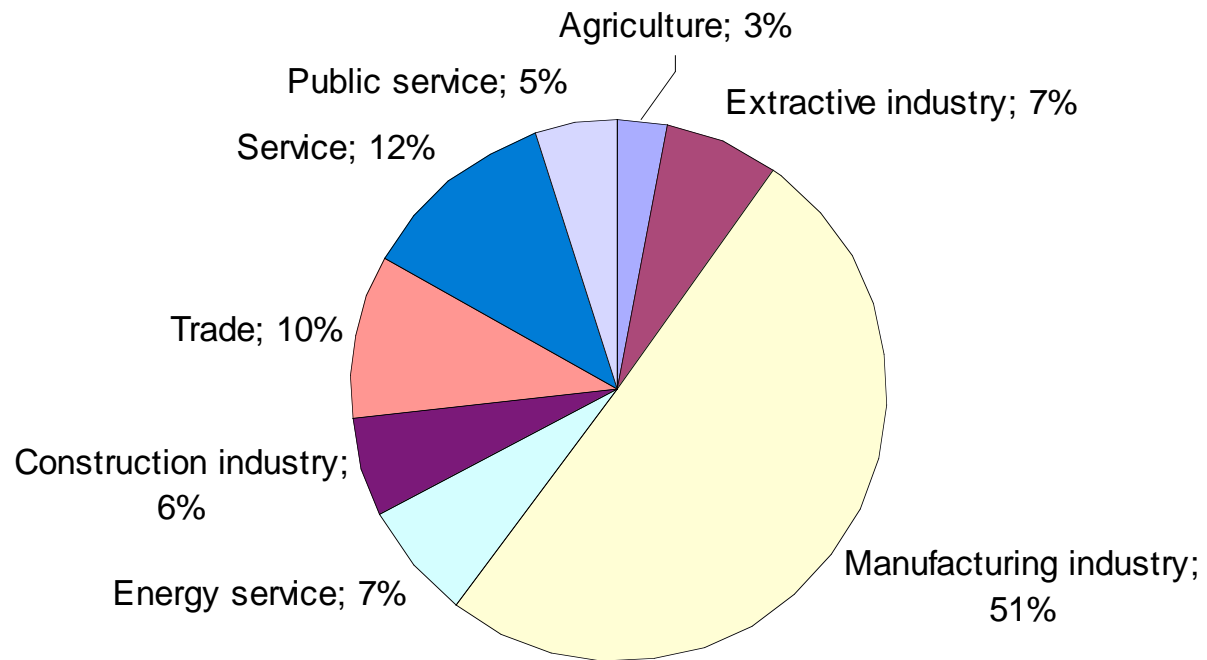
- hundred-page questionnaire
- 4 modules:
 - Top management
 - Finance
 - Marketing
 - Production

Further characteristics of the sample

- Medium-sized companies (42%) are over-represented at the expense of the large firms (34%).
- 47% have an assets value of over one billion HUF
- 17% of them realised a turnover over 10 billion
- 39% of the companies do not have any export, 48% of them purchase only from the domestic market
- Most firms in the sample are in domestic ownership
- Companies located in the capital and Pest County are under-represented

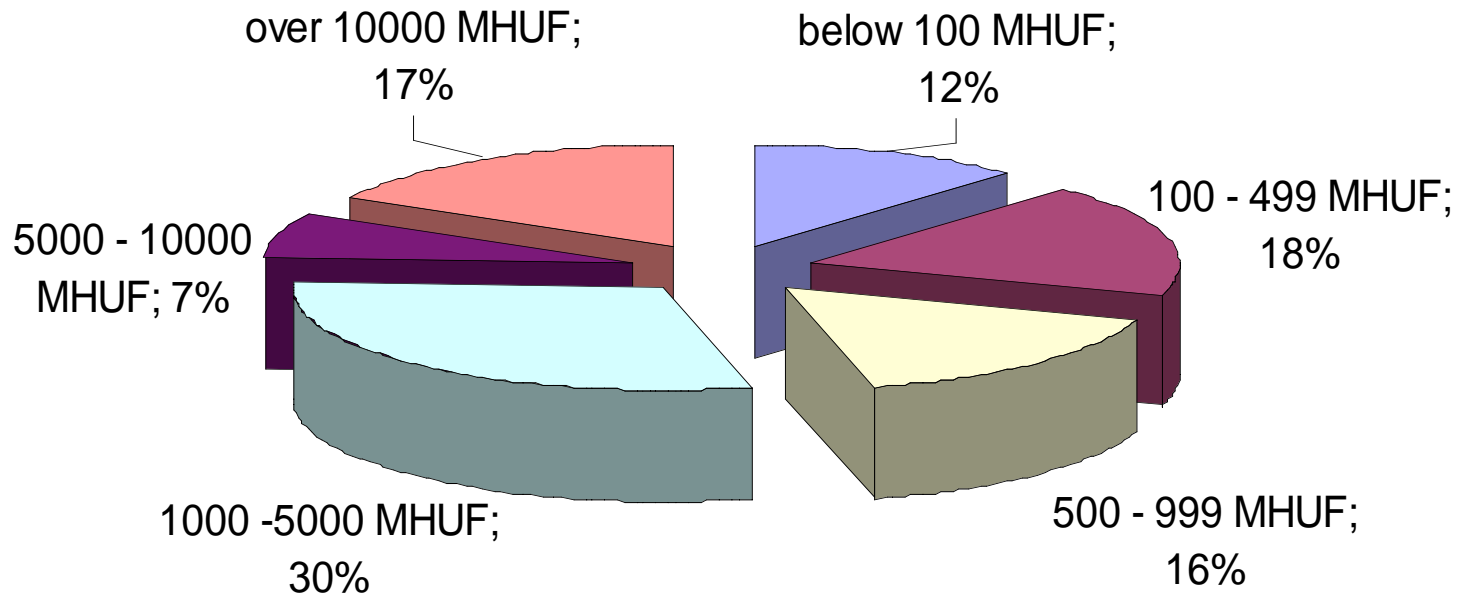
The 2004 sample

Company profile by branches



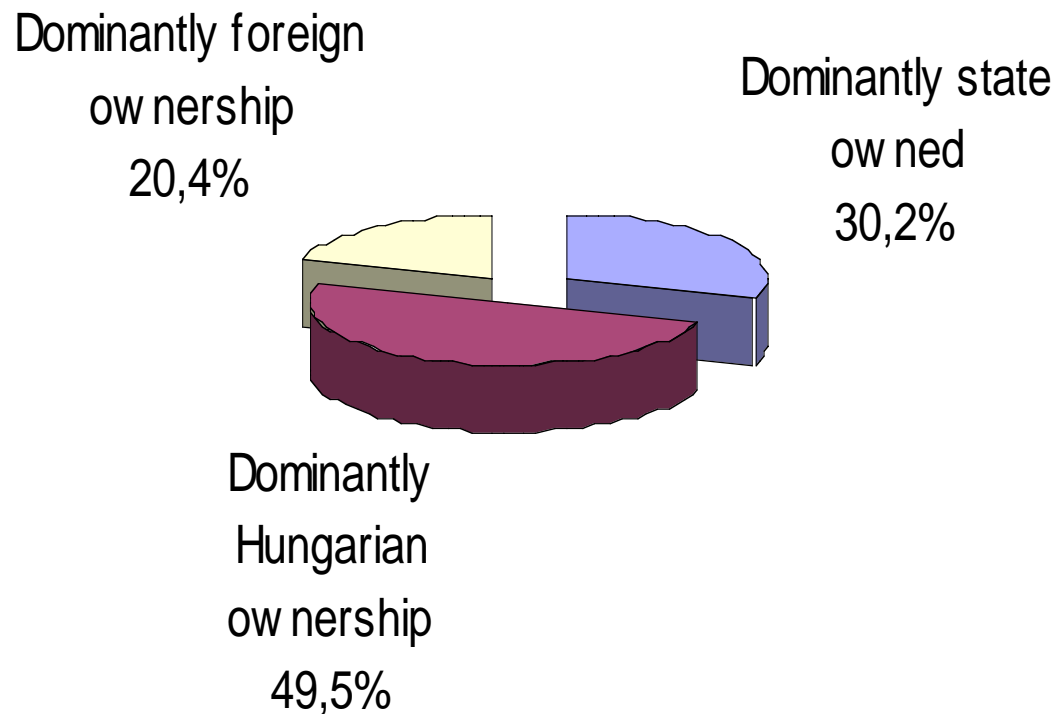
The 2004 sample

The size distribution of companies by sales turnover



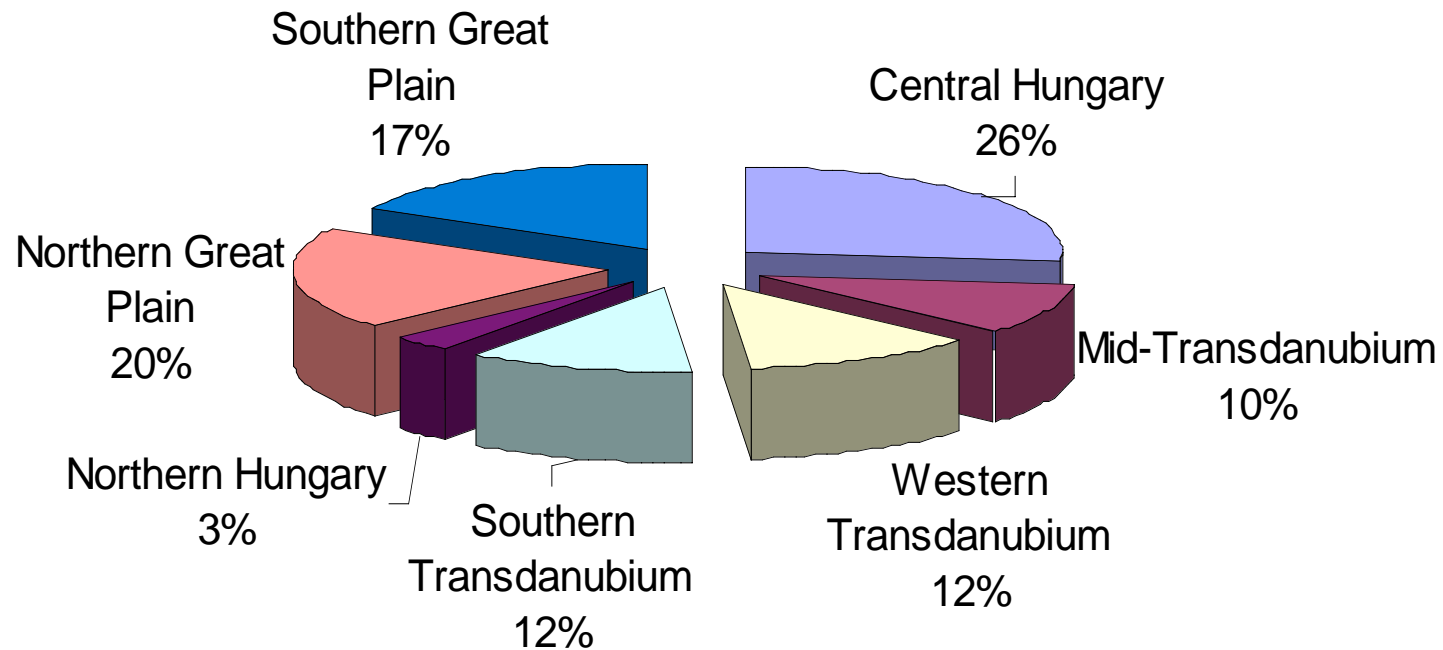
The 2004 sample

Dominant ownership type



The 2004 sample

Distribution of companies by regions



Research topics

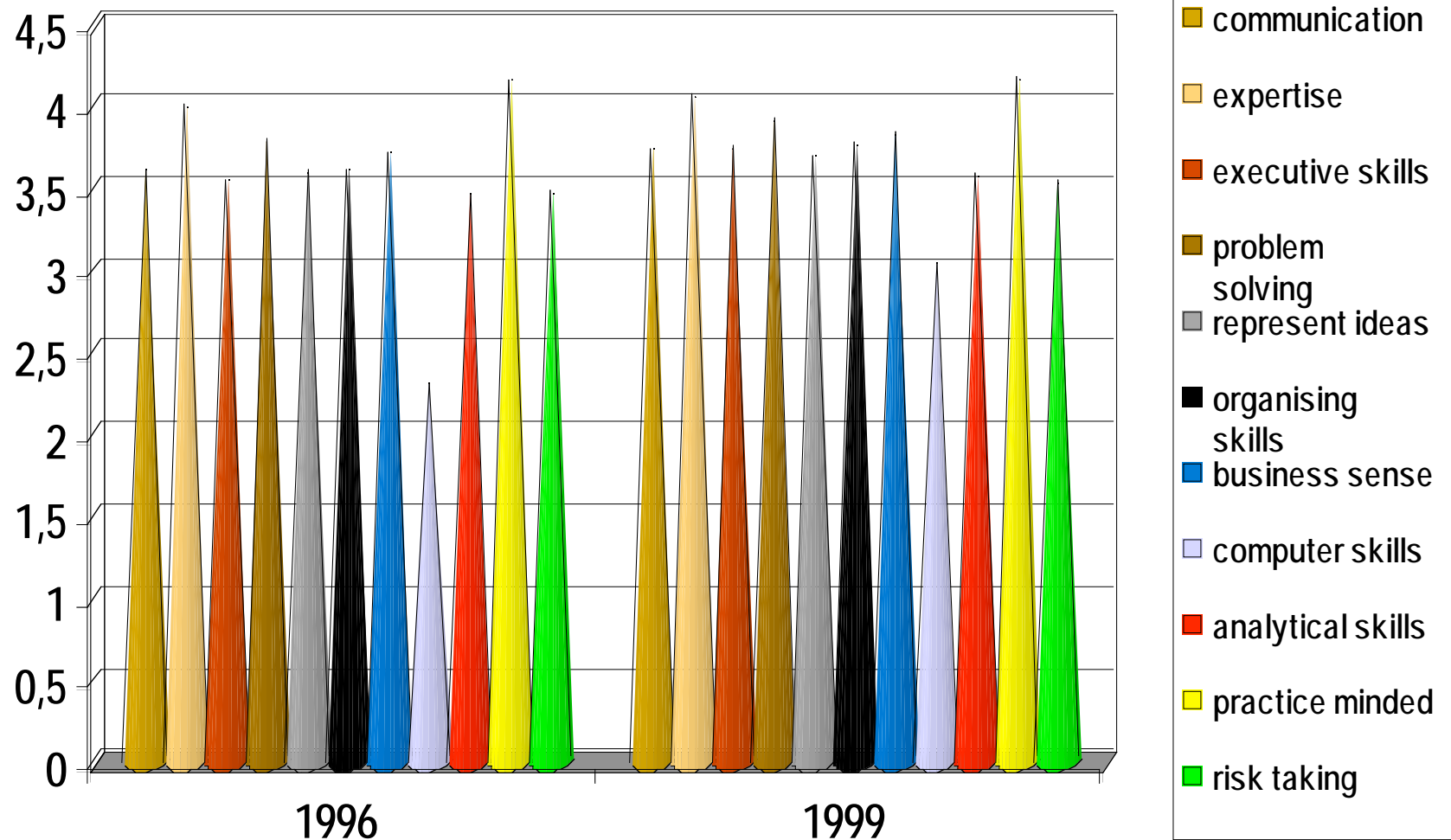
- What are the **strengths and weaknesses** of the managers in the moment of the EU accession?
- What are the most frequently used **decision making approaches** in the moment of the EU accession?

Necessary skills and abilities

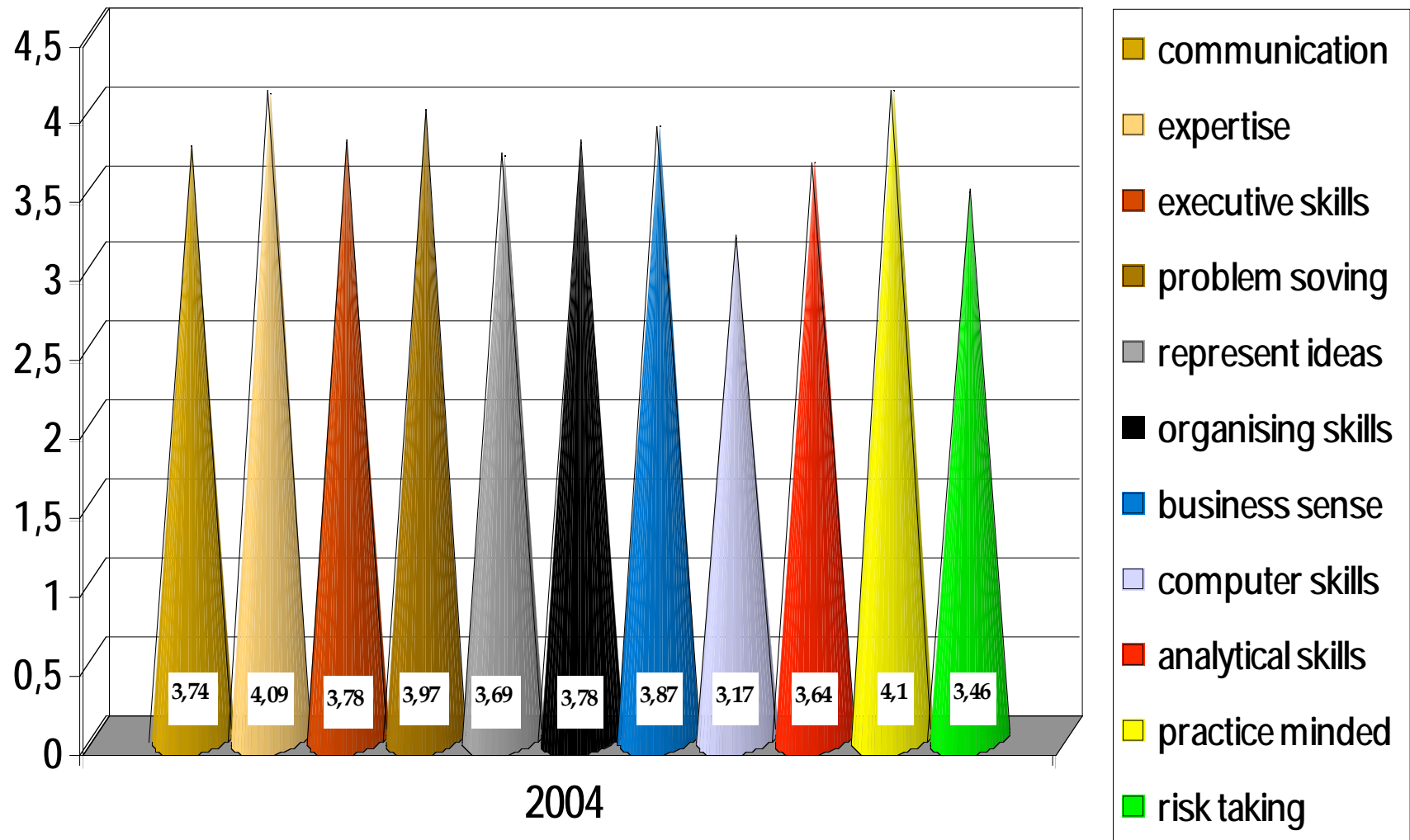
- Excellent communication skills
 - Expertise
 - Executive skills
 - Problem solving skills
 - Ability to represent ideas
 - Organising skills
 - Sense of business
 - Use of PC and computers
 - Analytical skills
 - Practice minded behaviour
 - Risk taking nature
- (Bradford Studies)



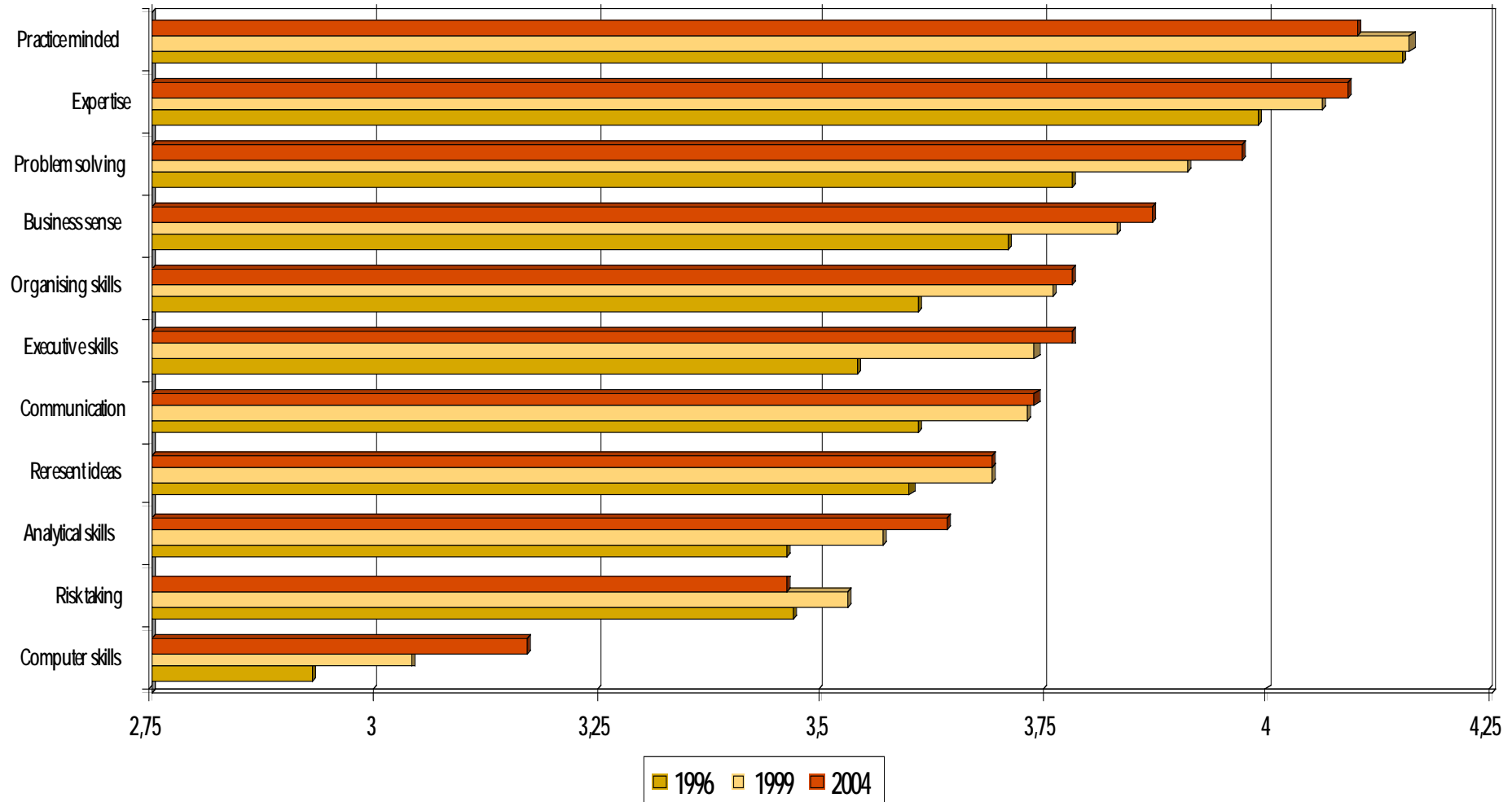
Management skills in 1996 and in 1999



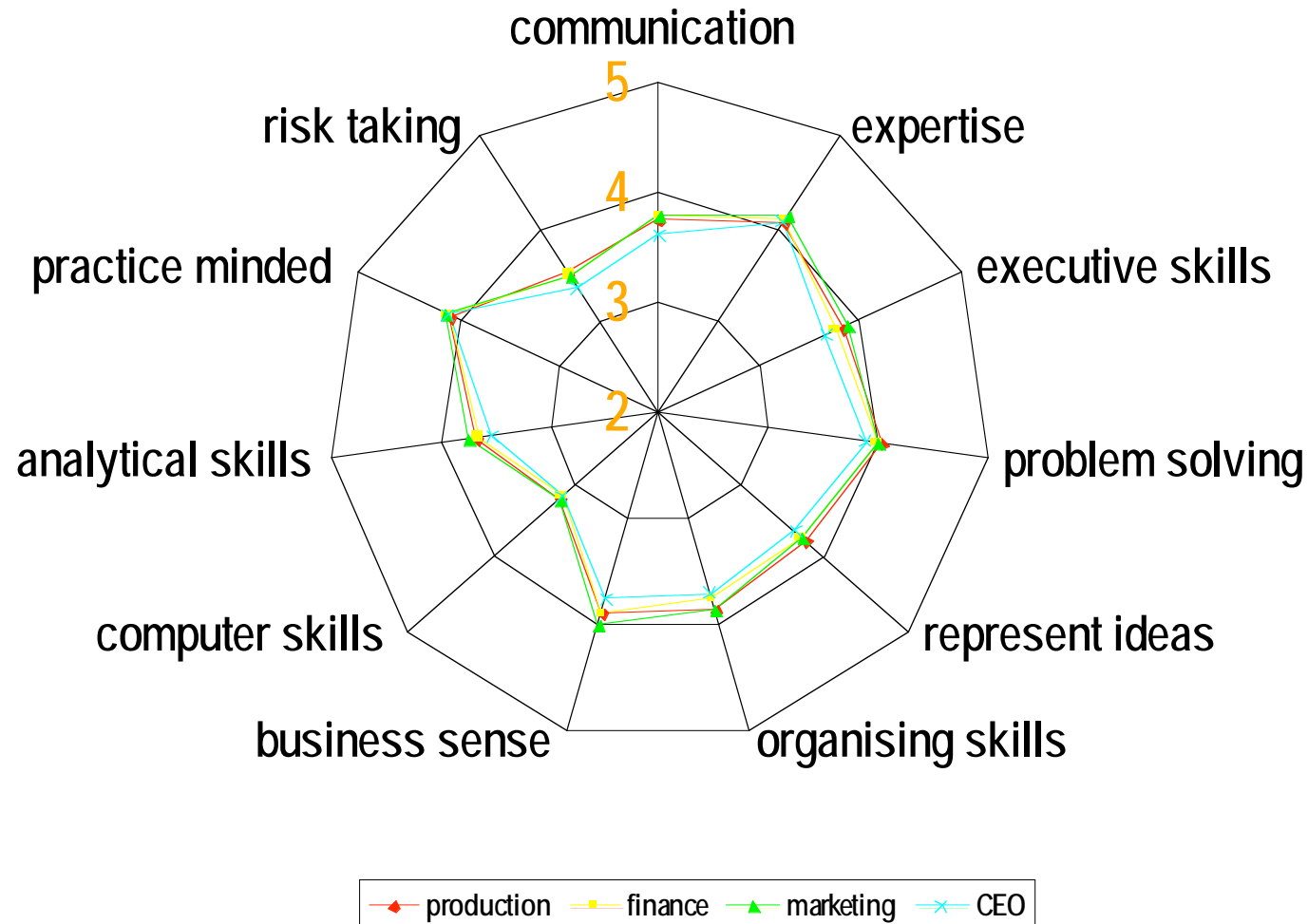
Management skills in 2004



Management skills between 1996 and 2004

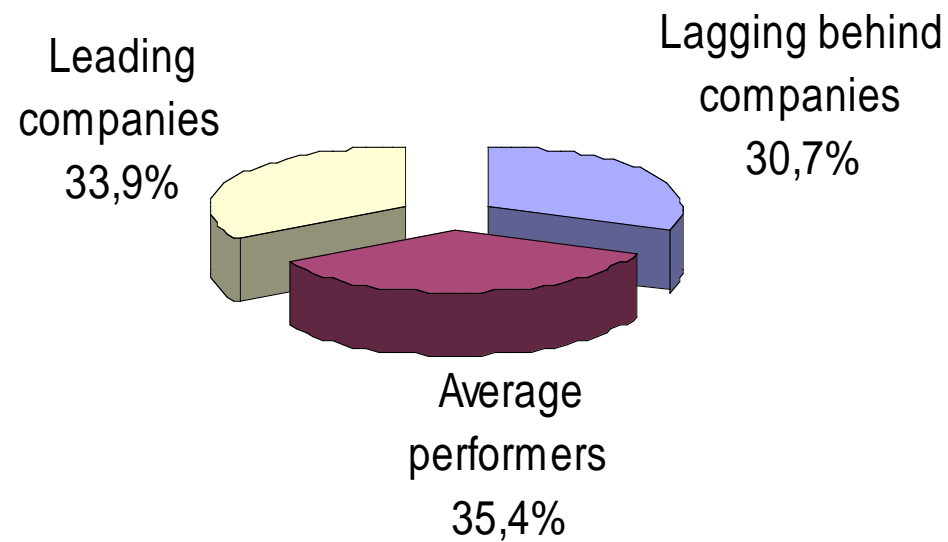


Management skills in four groups in 2004

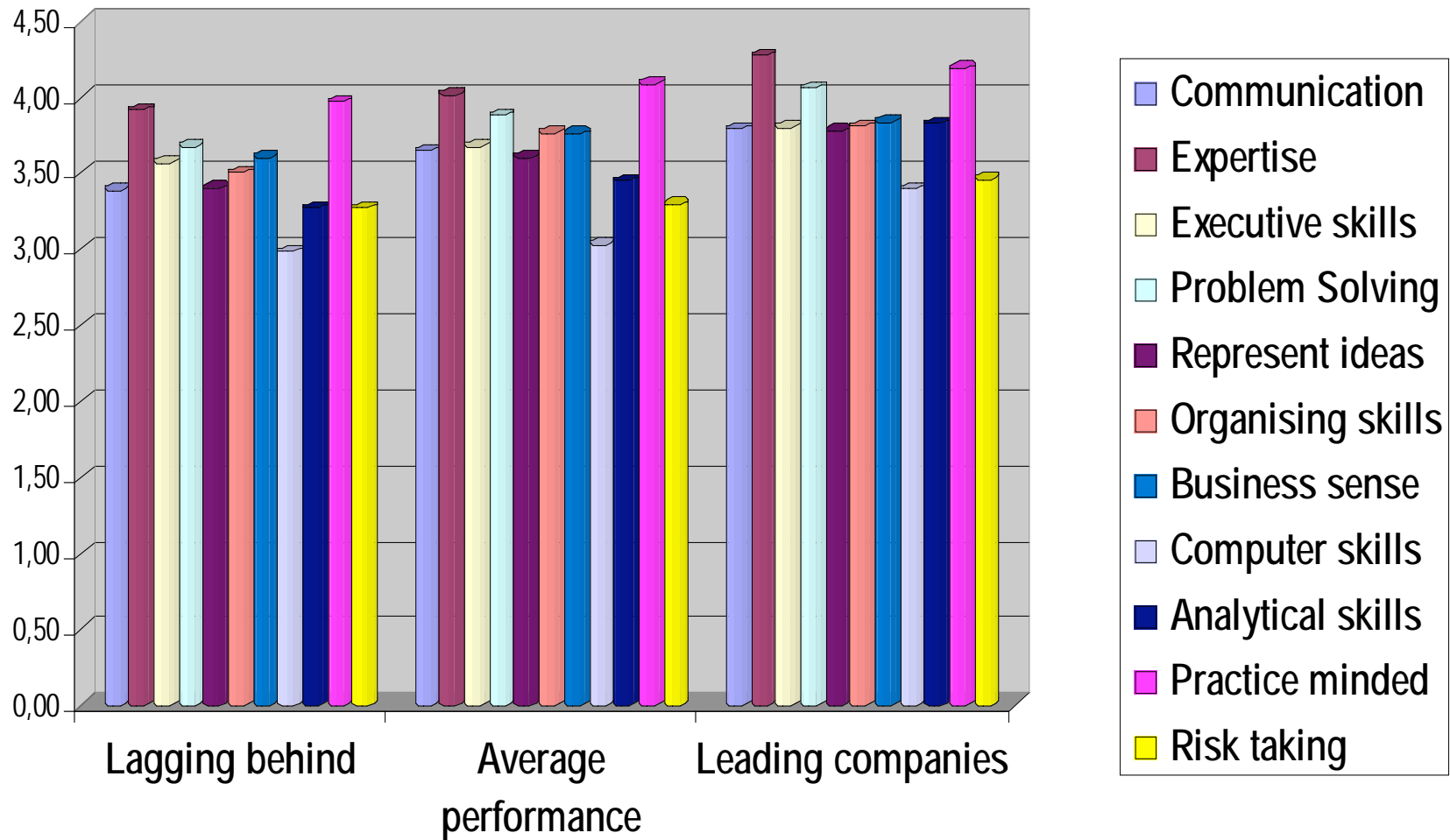


The 2004 sample

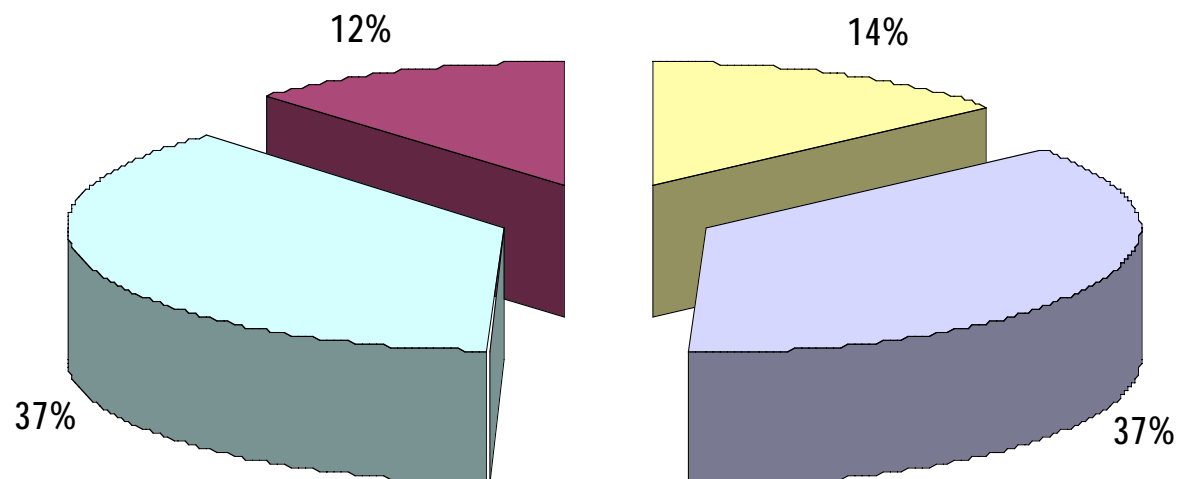
Performance clusters



Management skills and performance

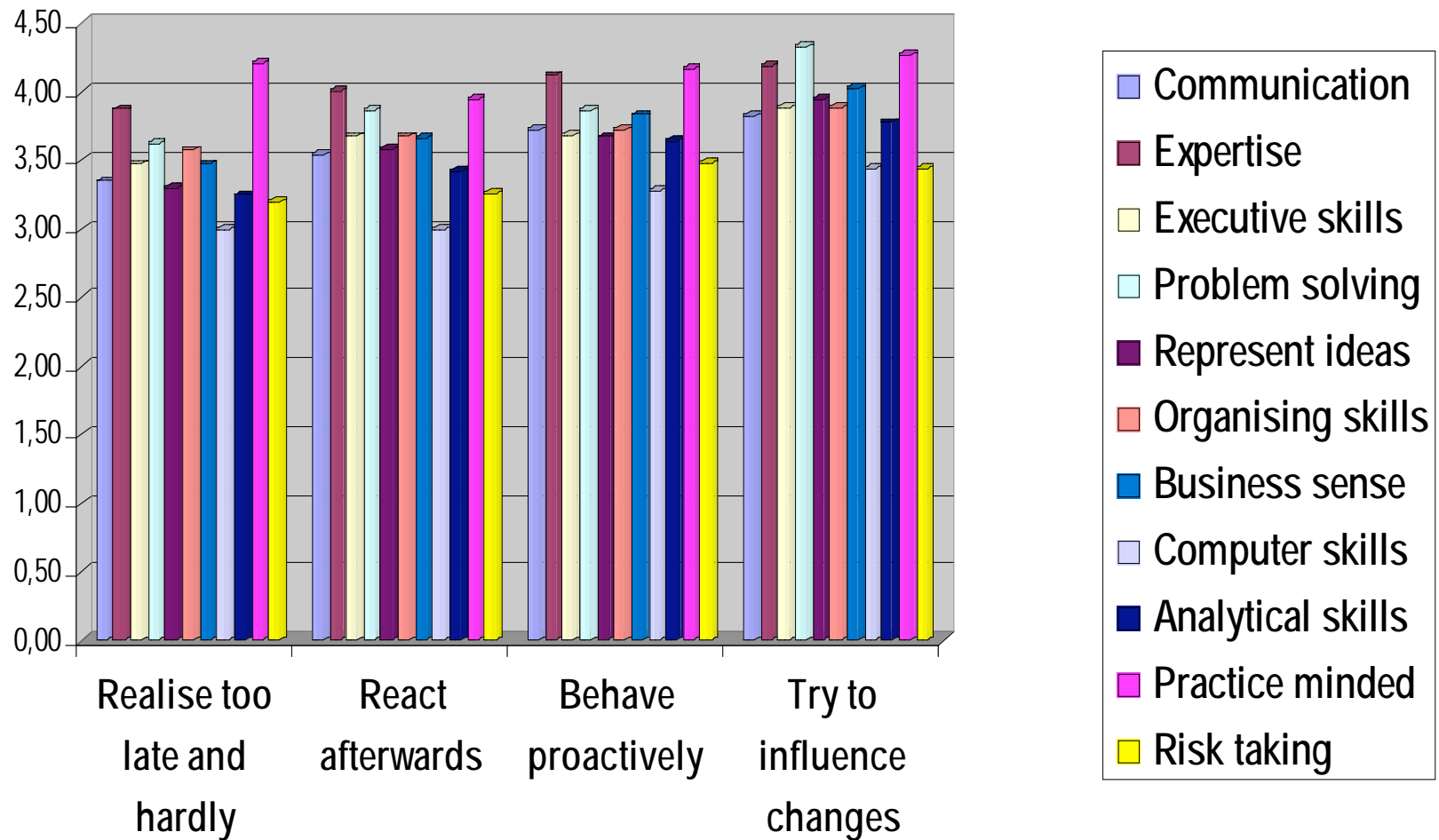


Responsiveness to changes



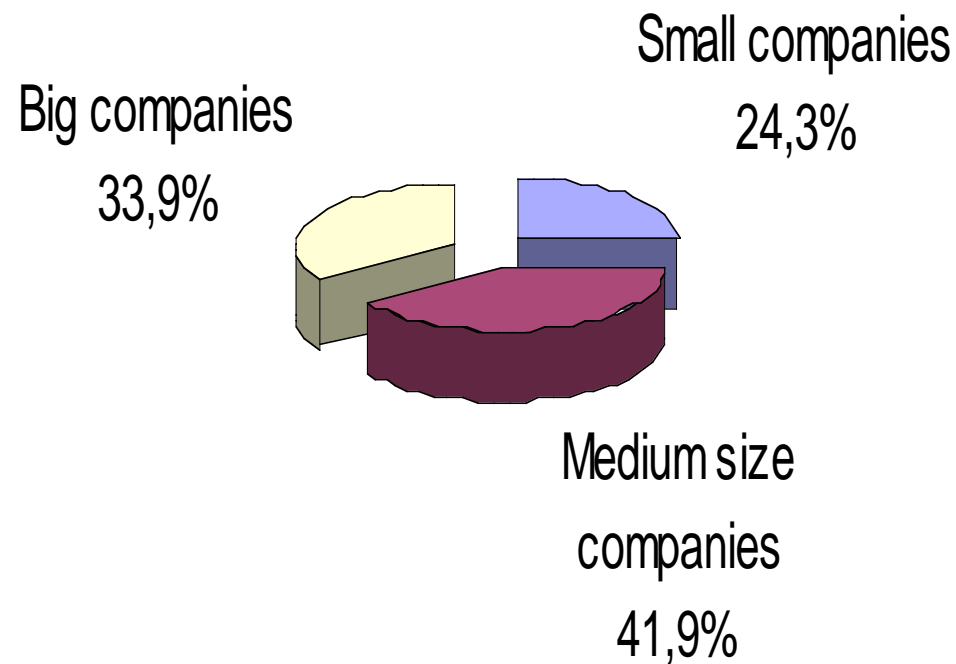
Realise too late React afterwards Behave proactively Influence Changes

Management skills and changes

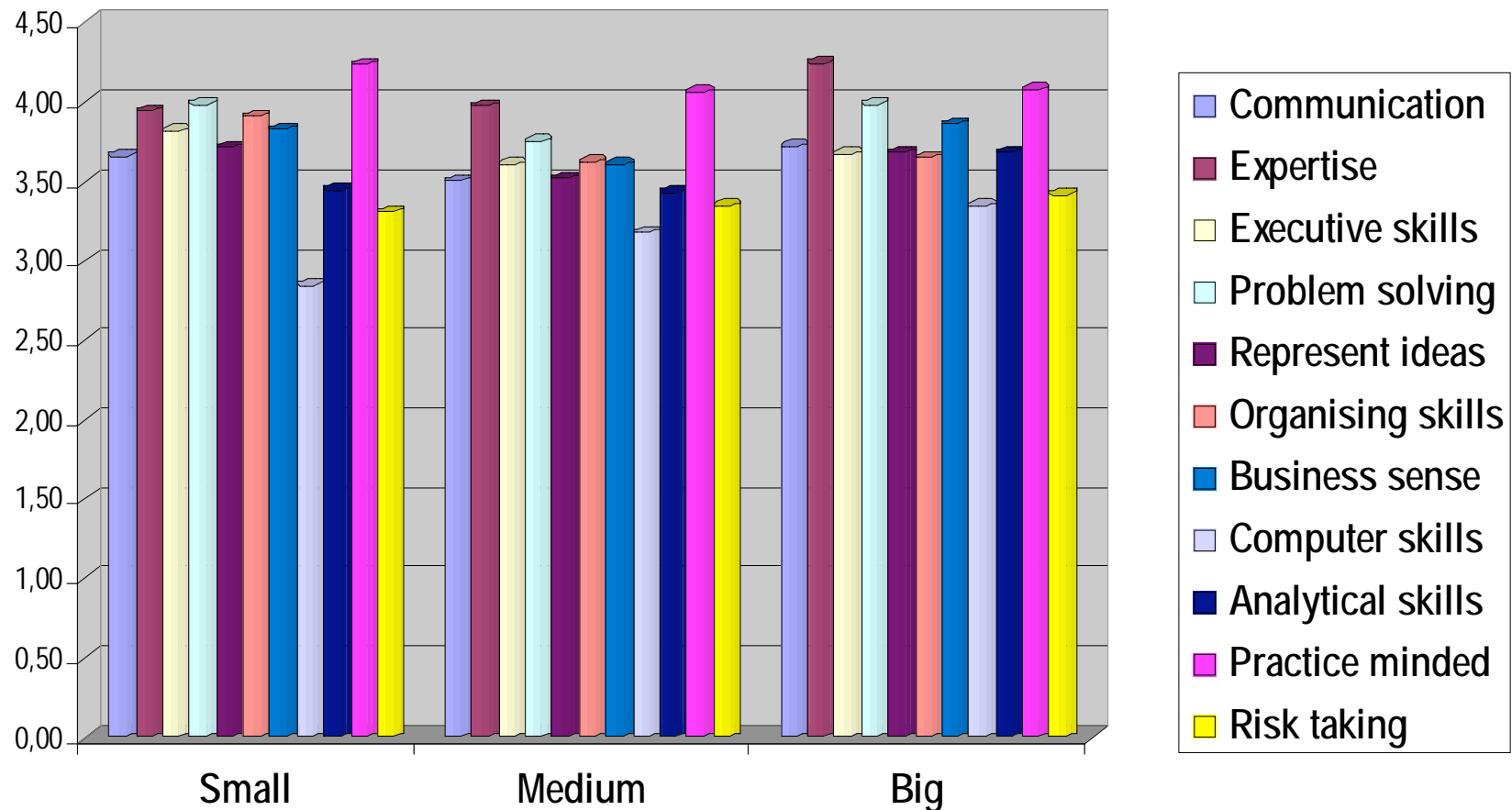


The 2004 sample

Size of companies



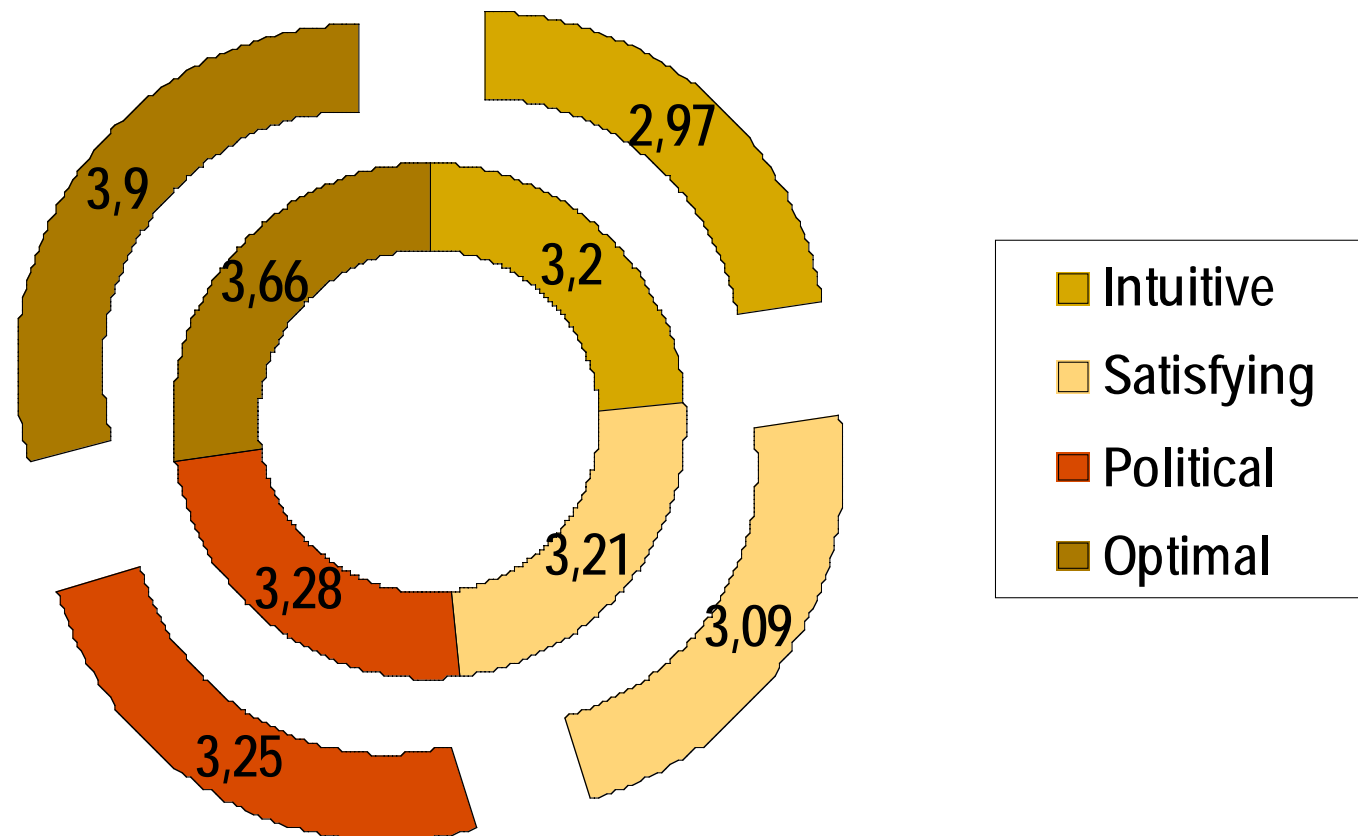
Management skills and sizes



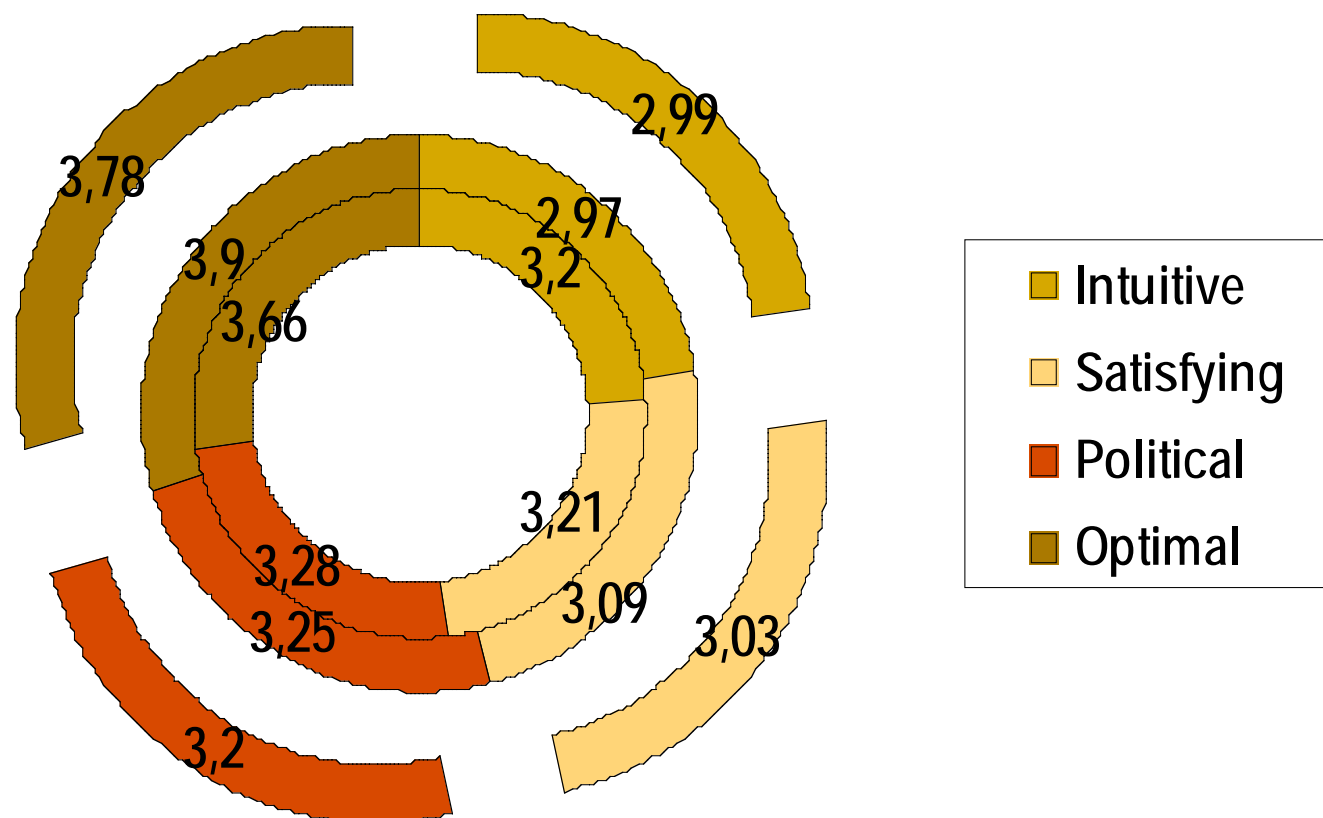
Decision approaches by Allison

- Rational behaviour → ■ optimal
- Organisational model → ■ satisfying
- Political model → ■ political
- Behavioural model → ■ intuitive

Decision approaches in 1996 and in 1999

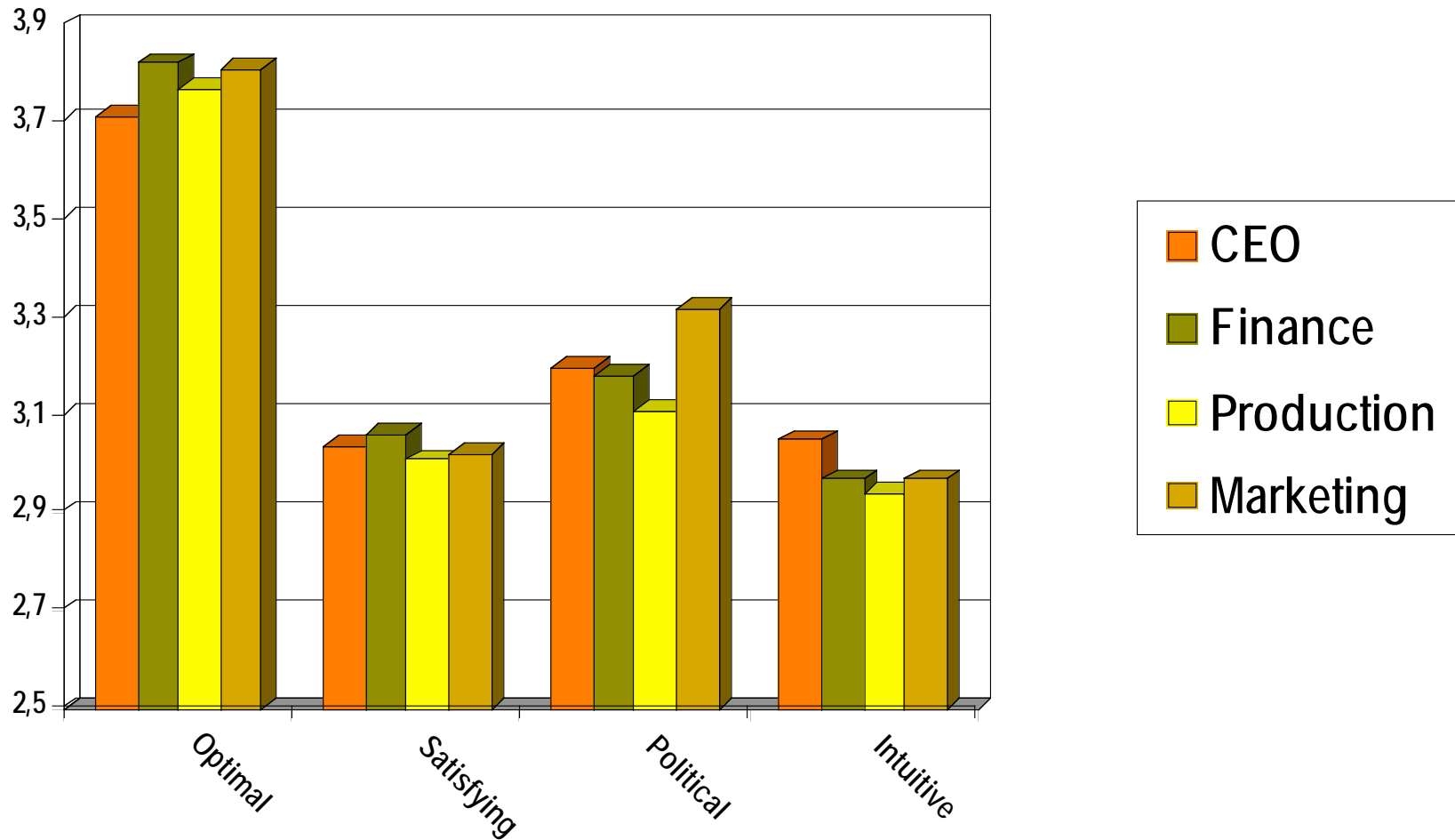


Decision approaches in 2004

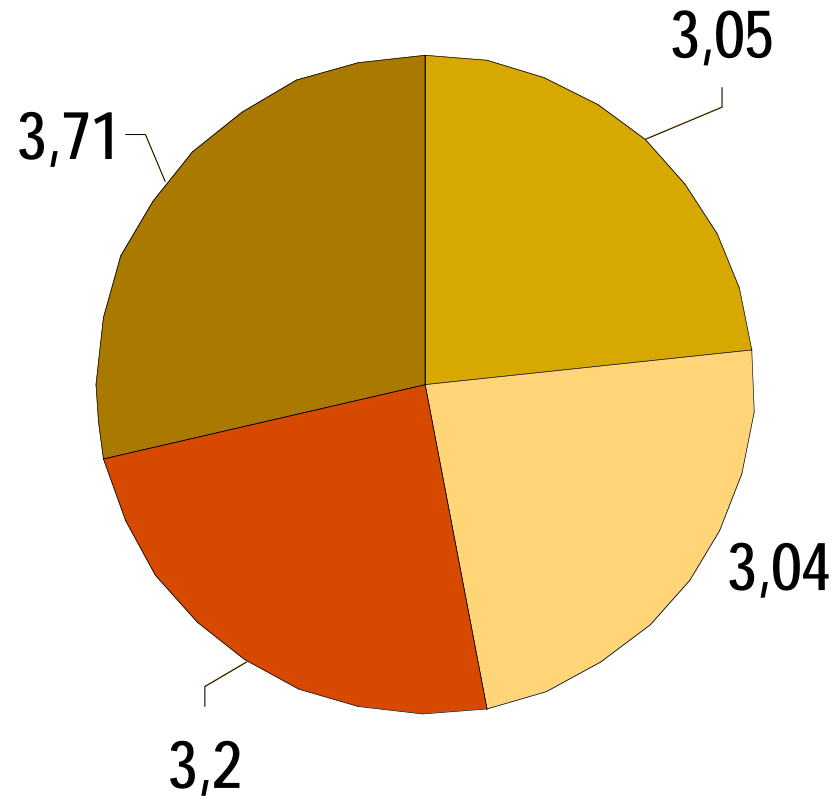


- Intuitive
- Satisfying
- Political
- Optimal

Decision approaches by four groups in 2004



CEOs' typical decision approaches in 2004



Conclusions



- Hungarian managers in the sample prefer to be rational
- Management skills and capabilities show slight improvement
- There is a methodological gap between the wishful rationality and the management skills (analytical and computer skills)