



An examination of a company CEO requirements

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<p>Abstract:</p> <p>A company CEO is the highest ranking employee in a company. It's the CEO who drives the company and carries the biggest responsibility in the organization. However, quite often people do not know in great details what does a company CEO do and more importantly, what is required to be a company CEO. This study examines CEO requirements within the theoretical framework of motivation, competencies and self-efficacy. The purpose of the study is to find out what is required to be a company CEO using conceptual model of motivation, competencies and self-efficacy. The model of motivation, competencies and self-efficacy combines the three theories used in the study and is further used to respond to the research questions presented in paragraph 1.3 in chapter one. The study is done as a case study using in-depth interviews to collect research data. Although the research results revealed some differences between the respondents, surprisingly many similarities were found between them. All of the research respondents were found to possess a need to achieve which is perceived as the dominating need motivation on a personal level among the CEOs. The importance of organizational goals and high emphasis on financial results were also commonly shared by the research respondents. Personal attribute competencies of analytical and conceptual thinking and interpersonal skills that can be interpreted to referring to teamwork building, motivation and empowering of others were highly valued competencies by all of the respondents and further regarded as essential to a CEO. To conclude the research findings, a CEO must possess a need to achieve and be intrinsically motivated by organizational goals. A CEO must firstly, be able to manage abstract and complex problems and secondly, be able to work through people. This ranks analytical and conceptual thinking and interpersonal people's management competencies as high demand competencies for a CEO. In addition and evidenced by the research findings, it can be argued that a high self-efficacy is required to reach to the CEO position and further be successful in the CEO position.</p>	
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1 INTRODUCTION

Chief executive officer (CEO) is considered to be the highest ranking individual in a company. Recruiting process of a CEO usually goes via different channels than lower ranking positions and an open job advertisement for CEO position is a rare sight. Taking into account that recruiting process is done somewhat underground; it can sometimes be difficult to quantify what kinds of competencies are required in the top position. In people's mind, a CEO's work is may be about making big decisions and crunching numbers, which can easily lead to believe that those must be the key competencies for succeeding in the job. But is that the reality? In addition, succeeding in demanding job requires obviously the right skills, but very often the right skills may not be enough if there's no incentive to act. In other words, what is motivating CEOs in the job? The easy answer is obviously money and while that may be partially true, there might be other motivational drivers as sole extrinsic incentives and rewards seldom provide a long term motivation and commitment. Furthermore, to make it and staying on the top position isn't an easy task and this may propose that that there might be some personal qualities that are required in the CEO position.

This study examines CEO requirements through the theoretical framework of motivation, competencies and self-efficacy, which refers to people's ability to influence their chances to produce favorable outcomes. Furthermore and more importantly, the study will hopefully provide for the reader more information and understanding on CEO requirements within the study context.

Chapter one further explains the background of the study, the problem and purpose of the study and possible limitations of the study.

1.1 Statement of the problem

According to Matti Alahuhta (Alahuhta 2015 pp. 191-194), a CEO's mission is to lead and be a servant of his organization. A CEO is on the lowest level of an organization encouraging others. The real work of a CEO is only the work that leads towards organizational goals. Listening will lead to greater organizational attainments and a greater personal appreciation. A CEO must have an ability to listen, share attention to others and have passion for his work

Leadership roles in organizations are becoming more and more complex and demanding. Therefore high self-efficacy beliefs of a CEO might be valuable for an organization. High self-efficacy can maintain CEO's work motivation under stressful circumstances and protect them from the potential demotivating effect of failures (Researchgate.net 2018).

Picket (1998) has argued that the current and future success of an organization is dependent of its CEO's and senior staff's competencies. It's the CEO who steers the organization to meet the demands of the organization's surrounding environment (see *Managing Leisure Journal* 2004 p. 96)

“Becoming a CEO is the greatest leap that an executive can make in his or her career. What makes it such an extraordinary transition, of course, is the complexity of the role and the skill that is required to manage that complexity successfully. So, what exactly do CEOs have that other leaders don't?” (www.russellreynolds.com 2018)

1.2 Back ground and motivation for the research

For many people in a company, a CEO may be regarded as a distant character. This may be amplified further by the fact that it's not always clear, what does a CEO do and more importantly what is required to be in that position. Although acknowledging that there

isn't a single mold for a CEO or a single recipe to succeed in the CEO position, perhaps there are some unifying personal qualities or skills required in the position?

The author's motivation for the study is personal interest to the studied topic. In addition, the possibility to learn more on demanding work position requirements and the research subjects' path to CEO position can be considered highly interesting and motivating for the author.

1.3 Purpose of the study and research questions

The purpose of this study is to find out what is required to be a company CEO by interviewing a group of CEOs and analyzing interview results by using the conceptual framework of motivation, competencies and self-efficacy.

The main research question for this study is "What is required to be a company CEO?". The main research question is further broken-down to three sub-research questions to view the topic in more detail.

- What kinds of motivational factors are driving a company CEO?
- What kinds of competencies are important for a company CEO?
- How is self-efficacy developed and how is it influencing a company CEO?

1.4 Structure of the study

This study is divided into six chapters. The first chapter covers introduction to the research topic and statement of the problem. Furthermore, the first chapter covers background and motivation, research questions and limitations in the study.

The second chapter covers theoretical framework of motivation, competencies and self-efficacy that forms the foundation for the study. In addition, chapter two includes the summary of the above theories and furthermore a conceptual model that combines the three theories used in the study. The conceptual model is further used in the research analysis and in presentation of the research findings.

In chapter three, the empirical part of the research is introduced. The empirical part includes the introduction of qualitative research as a methodology and further information of collection of research data and validation of the research findings.

In chapter four, the results of the empirical part are presented. Furthermore, the research results are presented per research subject and per theoretical framework of motivation, competencies and self-efficacy.

Chapter five focuses on analyzing the research results and further addressing the presentation of empirical findings. The empirical results are analyzed and findings are presented per the three theories used in the study. The aim of chapter five is to provide answers to the sub-research questions.

Key findings of the research are summarized and conclusions are drawn in chapter six. More importantly, chapter six attempts to find an answer to the main research question of “What is required to be a company CEO?”.

1.5 Limitations

This research examines the research topic solely from the individuals’ perspective and as they view and experience the topic. It would have been interesting to conduct additional interviews to get for instance owners’ views on CEO requirements. In addition, it would have been interesting to interview respondents’ former supervisors, current sub-

ordinates and colleagues to be able to draw more diverse picture on the research subjects' personal qualities.

The research subjects' gender distribution can be considered as a limitation as all of them were males. In order to obtain broader view of the topic, female research subjects should be added to the research sample.

1.6 Existing research of the researched topic

All the three theoretical concepts of motivation, competencies and self-efficacy are well researched topics among social, management, psychology and organizational behavior studies. However, the existing research studies are focusing one or two areas of the theoretical concepts used in this research study. Therefore an equivalent study that combines the three theories used in this research and examines the topic from the same perspective was not found for reference. However, the below research studies are touching on the same theoretical concepts used in this research study.

Published on Journal of Leadership Education in 2002, researchers Michael J. McCormick, Jesús Tanguma and Anita Sohn López-Forment from the University of Houston conducted a study investigating the relationship of self-efficacy and leadership performance. The researchers presented hypothesis claiming that leadership self-efficacy is positively influenced with the frequency of an individual attempting to receive a leadership role and that individual possessing high self-efficacy in leadership tasks will be more frequently attempting to receive a leadership role. In addition, the researchers' hypothesis claimed that the number of leadership roles will be positively influenced by leadership self-efficacy and that women will declare lower leadership self-efficacy and leadership role experiences than men with similar age and educational level (Journal of Leadership Education 2002 pp. 38-40).

Four out of the five hypotheses were supported by the quantitative research conducted in the study. The key research findings claim that high self-efficacy in leadership tasks are critical in leadership. In addition, the research findings supported prior studies

claiming that self-efficacy is linked to achievement behaviors. Moreover, the research found that prior leadership experiences correlate highly with leadership self-efficacy. Hypothesis regarding women's lower self-efficacy was supported by the research findings arguing that female participants were less confident in their leadership capabilities than men with similar age and educational background. The research study claims that the difference between male and female leadership self-efficacy may be rooted to the varying interpretation of performance as males tend to interpret successful performance in efficacy increasing way, whereas females tend to interpret prior successful performance in efficacy constraining way (Journal of Leadership Education 2002 pp. 43-44)

Published on Journal of Humanities And Social Science in 2017, researchers Rama L and Dr. Sarada S from the Cochin University of India established a conceptual framework of self-esteem and self-efficacy and their role on competencies. The main objectives of the research were to study the relationships of competence and self-esteem, competence and general self-efficacy and self-esteem and self-efficacy by using the conceptual framework of self-esteem and self-efficacy and their role on competencies (Journal of Humanities And Social Science 2017 p. 37). The research defined competencies as a collection of success factors required to achieve results in specific role or job. Those success factors are described in the research as a combination of knowledge, skills and attributes that include personal characteristics, traits, motives and or values that influence individual's behavior. The study divides competencies in three categories of managerial, generic and technical competencies (Journal of Humanities And Social Science 2017 pp. 36-37). The key research findings argued that self-esteem and general self-efficacy are major input variables for competency, which is connected to performance. Furthermore, the research findings claimed that high general self-efficacy and self-esteem drives an individual to become a competent that further results notable performance (Journal of Humanities And Social Science 2017 pp. 37-38).

2 THEORETICAL FRAMEWORK

The three main theoretical concepts of motivation, competencies and self-efficacy are each introduced in this chapter. In the end of chapter two, a short summary of the above three theories is presented including the conceptual model of motivation, competencies and self-efficacy. This model is later used for presenting findings and analyses in chapter five and in chapter six.

2.1 Motivation

Motivation can be described as a theoretical concept that attempts to explain why people practice certain behavior in different situations. Theoretical motivation concepts attempt to explain why there are variations in individual's behavior in identical situations. The basic motivational assumption is that living organisms approach goals or participate in activities that are expected to generate desired outcomes and controversially avoid activities that result in unpleasant outcomes (Beck 2000 p. 3).

Motivation is dealing with subjects such as how behavior is triggered, is energized, is sustained, is directed or is stopped. In other words, motivation is linked to the why of behavior rather than the how or the "what" part of behavior. We can watch and observe people guessing why they are doing what they are doing and draw a personal conclusion. However, this may differ from what a person himself feels is his intention. It's important to recognize that there may be several answers to the question why and only some of them deal with motivation. To be able to answer completely to the question why, all the determinants of behavior must be included. Therefore it's useful to understand that behavioral outcome is a function of personal and environmental determinants. (McClelland 1987 p. 4) Common sense distinguishes between motivational factor (effort) and ability. A behavioral outcome is determined by effort (motivation) and an ability to perform the task. Person's ability of understanding the situation is determining

behavioral outcome partly. Any theory of action or personality must include motives, skills or adaptive traits and cognition or schema (McClelland 1987 p. 5).

A motivation is defined as a desire, need or want that generates required energy to behave in certain way. Motivation theories seek to understand what factors are driving our behavior in chasing goals and eventually achieving goals. Further motivation theories try to explain and identify a stimulus that has caused a certain behavior to achieve the desired outcome (leadership-central.com, 2018).

2.1.1 Types of motivators

There are two different kinds and types of motivators; extrinsic and intrinsic motivators. Intrinsic means that the stimulus stems from within individual such as pride or ethics. In contrary, extrinsic motivator means that the stimulus comes from outside of individual e.g in a form of paycheck. Although a motivation stimulus can be either internally or externally generated, the choice to be or to not to be motivated is in person himself. In work and management context, both extrinsic and intrinsic motivators (stimuluses) can be either negative or positive. A case example of positive and negative stimuluses is managing by a stick or a carrot approach. Stick which in other words is unpleasant stimulus is given due to the behavior that is expected to lead undesired outcome. Carrot however, is offered as positive stimulus or motivator which is expected to drive behavior to result desired outcome (leadership-central.com, 2018).

In work context people perform well for two reasons; they are interested in the work itself (intrinsic motivation) or because of the pay (extrinsic motivation). Intrinsic and extrinsic motivation sources are interlinked and therefore companies cannot pick one or the other in isolation. Intrinsic motivation cannot be easily build up and may be not wanted in some circumstances. Extrinsic motivation can be more accurately targeted and offers an instrument of maintaining discipline (Frey&Osterloh 2002 p. 5).

2.1.2 Extrinsic motivation and rewards

Extrinsic motivations serve to fulfill indirect need and in work context stems from a desire to satisfy non-work related needs such as buying a new car or a house (Frey&Osterloh 2002 p. 8).

Extrinsic rewards include incentives such as salary, bonuses, commission, perks, benefits and cash awards. When only compliance is required, extrinsic rewards are easy solution to motivate. Extrinsic rewards steer behavior by giving or withholding rewards and rarely influence on work commitment and passion (Thomas 2000 p. 6).

2.1.3 Intrinsic motivation and rewards

There are three different sources for intrinsic motivation. One of the sources is the activity or tasks itself causing satisfaction and enjoyment. It is not only the task, but the end goal or result of task that is equally important motivational factor. The second source of intrinsic motivation is complying with standards for their own sake. These standards may include standard of fairness or group membership in organizational context. The third source of intrinsic motivation stems from the goal that individual has set for himself. The self-set goals may include tasks or processes that are unpleasant and unappealing for individual such as reading to school entrance examination (Frey&Osterloh 2002 p. 8).

Intrinsic motivation can be described as behavior that is carried out for its own sake instead of intention to acquire material or social rewards. Further intrinsic motivation can be described as individual's urge to fulfill growth needs for achievement, competency and self-actualization. This definition can be rooted to Maslow's higher order needs or Alderfer's growth needs theories. In organizational context, intrinsic motivation is a major factor in explaining work behavior. Intrinsically motivated outcomes lead either to satisfaction or frustration of higher level growth needs. Positive feeling of accomplishment or lowered of self-esteem are good examples of positive and negative intrinsic

outcomes. Intrinsic outcomes take place instantly after the execution of acts that produce them. Therefore intrinsic outcomes are administered by the individual instead of external outsiders. In work context, intrinsic outcomes should be viewed as job or task related event that either fulfill or impede higher level growth needs (Pinder 1984 p. 59).

Intrinsic motivation is tightly linked to behavior that is arising from individual's need for carrying out activities for the sake of satisfaction and enjoyment. Behavior that is engaged or driven by intrinsic motivation arises from internal desire rather than from desire to achieve external rewards. Some findings suggest that people motivated by intrinsic motivations are more creative. This theory stems from assumption that if individual is performing personally rewarding, interesting and challenging tasks; he's more likely to come up with new ideas and solutions (www.verywell.com, 2018).

2.1.4 Acquired Needs Theory

David McClelland's Theory of Acquired Needs argues that human behavior is affected by three motivational needs: need for achievement, need for power and need for affiliation. McClelland proposed that the three needs are acquired over life time and that life experiences can change the type of individual need. McClelland argues that all human beings have these three needs regardless of their age, gender or culture. People usually have one dominating need, which will be the most powerful motivational driver. Need for achievement is defined as a drive to excel in relation to a set of standards. Achievements are motivated more by sense of accomplishment rather than reward. Power need driven people strive to have control over others. People high in power need tend to be more concerned with status and control over others than with performance. Affiliation need driven people are striving for friendship and interpersonal relationships. People high in affiliation need prefer cooperation rather than competition.



Figure 1. McClelland's Acquired needs theory (<http://iedunote.com>, 2018)

2.1.5 Achievement motivation

The concept of “doing better” is a natural incentive for achievement inclined persons and further doing something better for its own sake and for the intrinsic satisfaction of doing it better. A great number of studies have proved that individuals who possess high achievement need choose to work with moderately difficult tasks, in which the probability for success or “doing it better” is typically between 0.3 and 0.5. The reason for this is the tendency to maximize the achievement incentive (McClelland 1987 p. 231). Many studies have confirmed the importance of personal feedback to those high in achievement motive score. In work context, money can be regarded as a feedback on how well people have performed at work. There's an evidence that although money is a not a great motivational incentive for people who have high achievement need, financial reward can be considered as feedback on how well they have performed (McClelland 1987 p. 248). Individuals scoring high in achievement need test, tend to be more restless and avoid routines than those people with lower achievement need. Achievement motivated individuals are more likely to search for new information to find out better and more efficient ways of accomplishing things. High achievements should be more inno-

vative (McClelland 1987 p. 249). Conforming Atkinson risk taking model, high achievement need individuals should be aspired by occupations that they perceive as possessing realistic and a moderate change for succeeding in accordance with their abilities. A research conducted by Crockett (1962) concluded that people with high achievement need had shown higher upward work mobility than those who had low achievement need. Another research (1976) proved that U.S men that are scored high in achievement need test had positive relationship with work. Men with high achievement need reported better job satisfaction and described their jobs as inspiring. People who possess high achievement need do not see work as interfering family life and work at spare time (see McClelland 1987 pp. 251-252).

Psychologist David McClelland argued that all motives are based on learned experiences. McClelland further believed that the need for achievement is learned motivation and that it originates from competitive situations that are associated with positive results. Therefore childhood raising practices that inspire young individuals to take challenges and succeed well in them is critical for achievement motivation to develop.

McClelland further argues that childhood raising practices are the most important element behind a person's level of achievement motivation. McClelland has also proved that training programs that aim for development of achievement mentality can increase entrepreneurial behavior among program participants that were lacking that mentality (see Pinder 1984 p. 63).

Psychologist David McClelland argued that an individual is more likely to employ achievement oriented behavior when positive affect is aroused, for instance when a person who has had positive experience in test taking and considers it as rewarding, is more likely to be motivated and try hard in the future tests. The opposite case is when a person is punished for failing and hence the fear of failure could be the motivating factor. McClelland's view proposes that under right conditions, people's behavior is affected and driven by behavior that has been encouraged by rewards. Therefore individuals with high achievement score have backgrounds in were achievement is encouraged and rewarded (see Beck 2000 p. 327). According to McClelland (see Beck 2000 p. 339), one of the most distinctive differences between low and high achievement persons is that those individuals who have high need for achievement accuse failures for lack of effort

and those individuals who have low need for achievement accuse failures for lack of ability.

2.1.6 Power motivation

David McClelland makes the distinction between personal and social power. Personal power is recognized as more primitive form of power and defined as dominance over others. Social power is defined as an aim for benefitting others. Need for personal power is affiliated with competitiveness and aggression. Working-class men with high need for personal power have been found to exercise aggressive behavior more than middle-class men with similar level of personal power motivation. This is likely due to the fact that middle-class men have learned better to suppress aggressive behavior. People with high power need often obtain a need to appear powerful and amplify that with symbols of power such as cars, watches and jewelry. Need for power is expressed in professional career choices as what at first sight seem to appear as unexpected occupations. According to research study, students with high need for power were most inspired by professions such as a teacher, psychologist, minister, business man or an international diplomat. Consequently students with low need for power were interested in governmental and politics, medicine, law, arts and architecture related professions. All of the above professional interests may seem like odd choices, but with a pattern or logic is still apparent. A teacher, psychologist or minister exercise a great control over others in daily work (see Beck 2000 pp. 340-341).

Some early studies suggested that individuals high in power need score would be more competitive and aggressive. Winters (1973) confirmed that young men who played competitive sports and were accepted to university teams scored higher in power need than other men. A competitive sport is defined as a sport where in there is a direct competition between individuals or one team against another team. McClelland (1975) later verified that those individuals that had scored high in power need were more likely to voluntarily participate to competitive sports. In another study among older men, McClelland found that high power need score correlated positively to the frequency of

how often the men got into arguments. However, whether a man exercises an aggressive behavior is very much dependent on social class values (see McClelland 1987 pp. 280-281).

People high in power need score tend to value and search for prestige. In a study among executives in large manufacturing company, Winters (1973) found a great correlation between number of credit cards in their wallets and power need score. Credit cards in this context are interpreted as symbols of prestige. Therefore, there seems to be clear evidence that high power motivation leads people to collect symbols of prestige (see McClelland 1987 pp. 284-285).

People with high power motive are more likely to take bigger risks. McClelland and Watson (1973) studied voluntary students in placing bets. Individuals scoring high in power need were more likely to place extreme bets, which indicated the positive correlation between riskiness of the bets and high power need score. The difference between individuals that had high scores in achievement and power need scores were obvious in the riskiness of bets. Achievement motivated people placed moderately risky bets whereas the power motivated people placed higher bets with lower probability of success (see McClelland 1987 pp. 288-289).

2.1.7 Affiliation motive

Affiliation motive is person's need for impersonal and social relationship with others or engage with a particular set of people. Working in groups and creating friendship and lasting relationship is a typical behavior with high need for affiliation type persons. People motivated by the affiliation need has also tendency to be liked by others and prefer being part of a group. Individuals motivated by affiliation needs like spending their time socializing and maintaining relationship and tend to have a tendency to be loved and accepted by others. Working with others is their primary driver rather than competing with others. People with need for affiliation are not risk seekers and are more prudent in their pursuits. (www.managementstudyhq.com, 2018)

It appears that people have need or desire to be with other people. The need for affiliation is covering various types of interpersonal attachments and includes sexual contacts. Affiliation need has surprised many researchers on how important it's for life and health and how it appears in several different forms (McClelland 1987 p. 334).

People are important for individuals high in affiliation need and prefer working with friends rather than experts. High affiliation need persons learn social relationships more quickly and tend to maintain their connections with other people. In addition, those who score high affiliation need tend to prefer group level feedback rather than individual level feedback (McClelland, 1987, p, 352).

Many studies indicate that high affiliation person try to avoid conflicts and avoid competitive games. Affiliation need is found frequently negatively correlated with competition emphasizing power need (McClelland, 1987, pp, 354-355).

2.1.8 Goal based motivation

The first argument behind goal motivation theory is that goals and intensions are responsible for human behavior. The second argument behind the goal theory is that if goals define human effort, harder or higher goals will result in higher level of performance than easy goals. The third argument claims that specific goals are seen resulting in higher levels of effort than obscure goals. The last argument of goal theory claims that incentives such as money, feedback and competition will have no effect on human behavior unless they lead to the acceptance of specific goal. Goal theory relies on the assumption that behavior is intentional and it's a result of conscious choices of action. In other words, people perform actions that are consistent with their intensions and goals. There's a distinction between task and goal difficulty. Two persons might be given the same task, but with different levels of goal difficulty. For instance, limiting the parameter of time has a direct effect on level of difficulty. Trying to perform the same task, but within shorter timeline affects the end goal. Thus goal-setting theory argues that if the person is committed to goal, the person with higher goal will perform to a

greater standard. The difficulty of the goal is the critical factor in determining person's effort level (Pinder 1984 pp. 160-161).

Personal challenge and an ability to assess one's own performance serve as extensive influencers in cognitive mechanism of motivation and self-directedness. In this context, behavior is motivated and directed by cognized goals. Research evidence from multiple laboratory and field studies has shown that challenging goals enhance motivation. Goals perform in great extent through self-reactive influences rather than controlling motivation and action directly. People direct their actions and create self-incentives to control their effort until their level of performance match their goals. People pursue self-satisfaction from fulfilling their goals and dissatisfaction to poor performance outcomes amplifies their effort. Self-assessment process is activated through cognitive comparison of personal standards and knowledge of performance level. Committing to a goal without knowing how individual is doing or knowing level of performance, but lacking a goal, does not have longstanding motivational impact. Therefore the combined effect of knowing performance level and goal setting enhances motivation significantly. (see Bandura 1995 p. 128).

It's important to distinguish goals that serve as self-motivating devices and goals that are onerous and externally dictated. Externally imposed goals are resisted if they are targeted to increase productivity, but additional performance brings no personal benefits. People are willing to accept and stick to goals when their self-interests are engaged to goal achievements. People will realize that they are happier with accepting goals that by performing with no direction (Bandura 1995 p. 136).

2.1.9 Incentives in goal motivation theory

Incentives can be effective only in the case if they change person's goals and intentions or foster commitment for those goals that a person already holds.

According to goal theory, there are at least two ways how competition may result change in behavior or increase performance. One reason is that competition may serve as fostering and building commitment to the goal of the task. The other way is competi-

tion may make winning more difficult than it otherwise might be. However, it must be noted that a person must be committed to the goal in the first place in order to be able to strive forward of achieving the goal.

Prior research evidence has shown that people tend to achieve more when they are confronted with deadlines. From goal theory perspective, the function of deadlines is self-evident. Deadlines serve the same function as making a goal harder. Further goal theory claims that harder goals result greater performance goals. In organizational context, money is most likely the most used incentive (Pinder 1984 p. 164).

Goal related intensions do not automatically trigger the self-reactive influences that control level of motivation. Specificity of goal is partly responsible for creating personal incentives and guides that lead for action. Precise standards control performance by imposing the type and amount of effort required to achieve them. General intensions that are vague in providing information on the required achievement level do not serve well for controlling one's effort and assessing one's capabilities (Bandura 1995 p. 133).

2.1.10 Self-Reactive Influences Affecting Goal Motivation

There are different types of self-reactive influences that affect goal based motivation. They are emotional self-evaluative response to one's performance, perceived capabilities for goal achievement and adjustment of personal standards to one's achievements. Self-satisfaction and self-dissatisfaction either from fulfilling valued standards or inadequate performance serve as motivational incentives. Perceived capabilities influence motivation in various ways and determines what challenges one choose to undertake and how much effort one choose to dedicate. People's belief on goals is dependent on the gap between their personal standards and achievements and whether it motivates or de-motivates them. Those individuals who have strong belief in their capabilities increase their effort if they fail to accomplish what they pursue and individuals who distrust their capabilities tend to decrease their effort and settle for mediocre solution (see Bandura 1995 p. 129).

The harder the self-set goals are, the more effort people will invest in the attempt. Major achievements provide temporary self-satisfaction, but people with high beliefs in their capabilities engage themselves to new challenges as personal motivators. Therefore the third factor in self-reactive influences is one's ability to adjust personal goals after progress has been made. When people surpass their initially set standards, they set new goals that serve as additional motivator. Those individuals, who doubt their ability to execute the same level of effort again, lower their goal. This means that their level of motivation deteriorates (Bandura 1995 p. 129).

Endeavors that require high effort, but do not end up reaching the goal result interesting self-reactions. Some people become depressed and abandon the pursuit of the initial goal. Some remain ambitious, but are unable to motivate themselves to do better. Some remain positive that they performed as they did, but feel somewhat uncertain of their capabilities. A great number of people feel over complacent and view them as capable to meeting the challenge, but are too satisfied to try again and mobilize the needed effort to do better (Bandura 1995 p. 130).

2.2 Competencies

Competencies consist of knowledge, skills, attitudes, experiences and contacts. Competencies allow person to achieve good results in each situation. Competency is more than just knowledge and skills. Attitudes include motivation to use skills. Many competencies require a wide array of experiences in order to develop to true competency. Contacts are paramount as well, people need to have role models and people who can spur them and support them. It's valuable to be able to apply and put competencies in use in practice. Competency is the end result of learning process and something that can be learned and developed (Sydänmaanlakka 2007 p. 87).

Competencies can be divided into three components: technical competency, conceptual competency and interdependent competency. Technical competency combines knowledge and skill to achieve the planned results. It's the ability to think through problems and search for new choices. Conceptual competency refers to the ability to see the

big picture. It's about analyzing assumptions and change perspectives. Interdependent competency refers to the ability to communicate effectively with others. Moreover it includes the ability to listen, work toward synergistic solutions and to see and operate effectively and collectively in organizations and systems (Covey 1994 p. 241).

Competencies consist of enduring traits and characteristics that determine performance. Good examples of competencies include initiative, influence, teamwork, innovation, and strategic thinking. Influence and result orientation are prime example of competencies that are required for high performing sales person (Zwell 2000 p. 18).

In performance management competencies and behavior are different concepts although they influence each other. Figure 2 illustrates interconnection of competency and behavior. A competency has three dimensions: knowledge, ability and skill. Skill is referring to employee's ability to perform and accomplish a task. Skills can be developed in time via exercises. Knowledge dimension is theoretical information developed through formal or self-directed study. Knowledge dimension can be developed in time to reach a competency. Attitude (ability) is the third dimension of a competency and it consists of person's internal potential to accomplish tasks. Abilities are born with features and can be very little influenced. Therefore it's critical to identify which ability leads to a specific competency (performancemagazine.org, 2018).

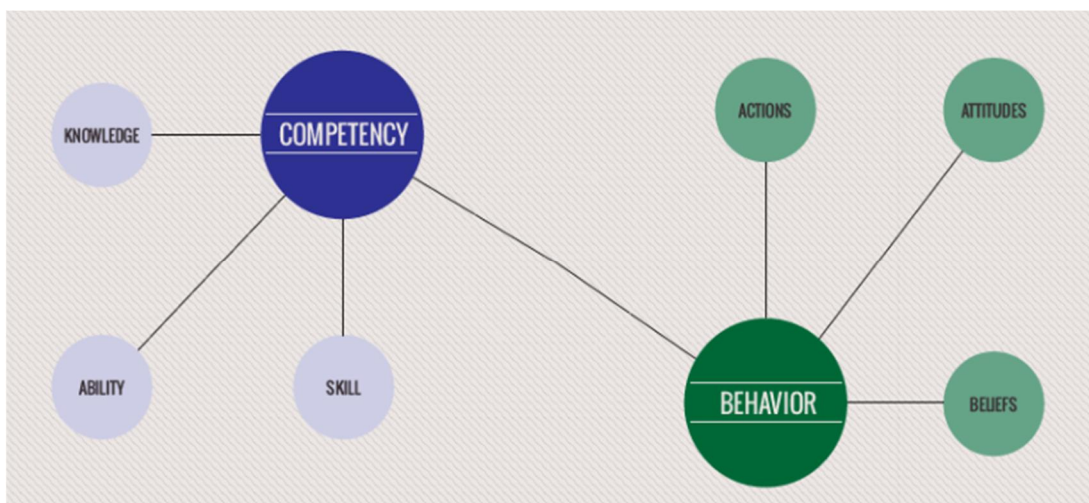


Figure 2. Competency and behavior connection (performancemagazine.org, 2018)

2.2.1 Categorizing competencies

People need different competencies in different job positions and at different stages of their work career. Usually people start their work career at individual contributor stage, where task achievement, relationship, and personal attribute play important role in career success. As people progress in their work career and take responsibilities of supervising people and managing projects, managerial and leadership competencies become more essential. At this work position, people's work success is more determined by how well their subordinates perform rather than direct individual contribution (Zwell 2000 p. 25). In the below Table 1, competencies are broken-down into categories with short general description on required competency type.

Competency category	Competency description
Task achievement	Competencies that enable a good job performance
Relationship	Competencies that are associated with communication, working with others and satisfying their needs
Personal attribute	Competencies that are related to how people think, feel, learn and develop
Managerial	Competencies that relate to managing, supervising and developing people
Leadership	Competencies that are associated with leading organization and people to achieve its objectives

Table 1. Categorizing competencies (Zwell 2000 p. 25)

2.2.2 Task achievement competencies

Typical competencies required in task achieving category include: result orientation, managing performance, influence, initiative, production efficiency, flexibility, innovation, concern for quality and technical expertise. Task related competencies define what people work toward, the way people work toward and how people work toward. Task related competencies define whether one is effective and achieving worker. Sample behavior for people possessing task related competencies include aiming hard for goals

(result orientation competency), monitoring of quality and quantity of performance (managing performance competency), planning of one's actions to overcome people if faced with resistant (influence competency). In addition, task achievement competencies may include behavior that proactively searches for new ideas, methods or processes (innovation competency), shares concern and influences organization to adopt quality improving actions (concern for quality competency) and uses knowledge to develop and modify existing methods and techniques (technical expertise competency) (Zwell 2000 pp. 26-31). Extensive list of task achievement competencies are illustrated in Table 2.

2.2.3 Relationship competencies

Competencies related to relationship category require positive and constructive abilities toward supervisors, coworkers, subordinates and customers in order to succeed at work. Relationship competencies relates to traits and characteristics that involve interactions between self and others. This category requires competencies such as team working, service orientation, interpersonal awareness, organizational savvy, relationship building, conflict resolution, attention to communication and cross cultural sensitivity. Typical behavior for people possessing relationship related competencies include increasing positively commitment of others (teamwork competency), satisfying and identifying needs of other people (service orientation and interpersonal awareness competencies) and identifying and using informal channels in organization to influence others (organizational savvy competency). In addition, sample behavior for people possessing relationship competencies include connecting easily with people from various levels in organization (relationship building competency), solving disagreements discreetly (conflict resolution competency) and using different communication channels effectively (attention to communication competency) (Zwell 2000 pp. 33-39). Extensive list of relationship competencies are illustrated in Table 2.

2.2.4 Personal attribute competencies

Competencies that are required in personal attribute category are especially related to people's sense of self-identity. Competencies in this category reflect how people think, feel, learn and develop. Self-identity influencing competencies include: integrity and truth, self-development, decisiveness (ability to make decision on time on stressful circumstances), decision quality, stress management, analytical thinking and conceptual thinking. Sample behavior for people possessing personal related competencies include taking personal responsibility and lack of defensiveness (integrity and truth competency), identifying personal strengths and weaknesses (self-development competency), taking charge of a group (decisiveness competency) and evaluating short and long term consequences in decision making (decision quality competency). In addition sample behavior for people possessing personal attribute competencies may include expressing emotions without harmful consequences (stress management competency), identifying complex problems (analytical thinking competency) and identifying and helping others to identify contributing factors in situations (conceptual thinking competency) (Zwell 2000 pp. 40-46). Extensive list of personal attribute competencies are illustrated in Table 2.

2.2.5 Managerial competencies

Managerial competencies are those that will ultimately determine whether a person will be a great manager. This category requires the following competencies: teamwork building, motivation of others, empowering of others, and developing of others. In addition, there are important competencies in the previously described task, relationship and personal attribute competency categories are vital for managerial success. Those additional competencies include: attention to communication, influence, decisiveness, decision quality, and integrity and truth. Although important for everybody, managerial competencies are less important for individual contributors. Sample behavior for people possessing managerial related competencies include identifying and allocating right resources for team members (building teamwork competency), using different approaches

to inspire and energize others (motivating others competency), sharing responsibility (empowering others competency) and helping others to recognize their obstacles for personal growth and development (developing others competency) (Zwell 2000 pp. 46-49). Extensive list of managerial competencies are illustrated in Table 2.

2.2.6 Leadership competencies

Competencies in leadership category are important due to their function to help others to reach organizational purpose, vision, and mission. Leadership competencies include visionary leadership, strategic thinking, entrepreneurial orientation, change management, building organizational commitment, establishing focus and living according to purpose, principle and values. Moreover competencies from the previous managerial category are paramount for leaders and complemented further with conceptual thinking from the personal attribute category. For individual contributors, leadership competencies are less important. Sample behavior for people possessing leadership competencies include communicating inspiring company mission, vision and values to external and internal stakeholders (visionary leadership competency), understanding organizational strengths and weaknesses (strategic thinking competency), analyzing and identifying new business opportunities (entrepreneurial orientation competency), identifying supportive and resistant elements in organization and further providing resources for change (change management competency). In addition sample behavior for people possessing leadership competencies may include building concern for organization's welfare (building organizational commitment competency), helping other to understand their role in reaching business goals (establishing focus competency) and using purpose, principle and values to explaining one's decisions and actions to others in the organization (purpose, principles and values competency) (Zwell 2000 pp. 49-53). Extensive list of leadership competencies are illustrated in Table 2.

2.2.7 Skill

A skill is proficiency, ability, or dexterity that is acquired through training or experience. Moreover a skill is an ability stemming from one's knowledge, practice or aptitude to do something very well. Skill is learned capacity to be able to perform pre-determined results (www.talentalign.com, 2018).

Team building, delegation, communication, negotiation, and self-management are pivotal skills in high work performance. Luckily all of these skills can be learned and enhanced by continues training and education (Covey 1992 p. 184).

Skills refer to the mastery of techniques and knowledge that are applied to a specific profession. Sales skills for example may include skills such as prospecting, handling objections and closing a deal. Some companies use competency and skill as synonyms, which may lead to sole evaluation of skills rather than competencies that play a bigger role in performance. Moreover, it is competencies, not sole skills or knowledge that leads to a superior performance. However, even the best skills and knowledge won't lead to good performance if one doesn't have a desire or drive to use that skill and knowledge. Individuals with basic skills and who are armed with the right competencies for a specific task will acquire the needed skill or knowledge to be a superior performer in that task (Zwell 2000 p. 22-23).

2.2.8 Knowledge

Knowledge qualities can be divided into explicit and tacit knowledge. The difference is that explicit knowledge can be clearly articulated and tacit knowledge cannot be articulated. Most of our knowledge is tacit, especially in terms of operational skills and know-how (Lam, 2000). Explicit knowledge is produced through reasoning and deduction and it can be acquired through formal training mechanism such as reading, training and education programs. Contrary to explicit knowledge, tacit knowledge is dependent on con-

text specific experience and acquired through personal experiences of different environments (Beardwell&Claydon 2010 p. 663).

Explicit knowledge can be acquired through books, newspapers, technical drawings, emails and the Internet. Explicit knowledge can be coded in writing or symbols and it's easily reproduced. Only a small proportion of human knowledge is explicit knowledge as large proportion of knowledge consists of tacit knowledge. Tacit knowledge cannot be coded in writing and symbols. Tacit knowledge is personal by nature and cannot be distributed by documents or information technology. The use of explicit knowledge is dependable on tacit knowledge acquired through experience and background knowledge. Moreover, individual tacit knowledge consists of cognitive rules and routines which individuals are only partially aware of. Mastery of complicated physical activities such as walking on tight rope is a great example of the nature of one's tacit knowledge and skills. This kind of skill cannot be learned from a book, it must always be taught (Frey&Osterloh 2002 pp. 44-45).

There are many ways to view knowledge. Some people view knowledge as a practical ability, some view it as an awareness of facts, some people simply view it as understanding and some people view knowledge as a learned experience to act in particular situations. Practical ability or more precisely practical knowledge is knowledge to execute a particular skill. Factual knowledge is a justified affirmation of something and further that factual knowledge must be true affirmations. Affirmation itself can be true for three different reasons; testimony, perception and reasoning. Testimony means that something is true because it said to be true. Truth based on perception is simply relying on senses and people's own thoughts. Reasoning combines testimony and perception to extend knowledge. Experiential knowledge is knowledge gained through experience of perceiving things. Experiential knowledge is defined as knowledge of how particular skill of things works in real life situations as perceived. Theoretical knowledge is knowledge of why something is true and it covers explanation why some affirmation is true. Theoretical knowledge does not necessarily explain everything, but despite of this it can still be regarded possible even if the facts that form the truth are not explained (Simplyphilosophy.org, 2018).

2.2.9 Ability

Some people view ability as an acquirable skill that can be enhanced by acquiring knowledge and refining competencies. These people pursue challenges that support opportunities for expanding their knowledge and competencies.

Some people view ability as a natural aptitude. Errors and poor performance carry a threat because they imply intellectual limitations. These people prefer tasks that minimize errors at the expense of expanding their knowledge and competencies (Bandura 1995 p. 118).

In a very simple form, ability can be defined as individual's capacity to carry out tasks and to control his level of motivation to accomplish tasks. Another definition is by Lawler (1973) that defines ability as a collection of natural aptitude and the capacity to behave which is a result of training and experience (see Pinder 1984 pp. 12-13).

2.2.10 Capability

Capability is referring to the quality of being capable physically or intellectually. In organizational context, capabilities are activities that an organization is capable of performing better than other activities. Capabilities can be further defined as a combination of organizational resources that enable organization to perform (Marr 2006 p. 47).

2.3 Self-efficacy

Self-efficacy is psychological concept that states that our competency or chances in completing a task successfully and can be manipulated through self-belief to produce a favorable outcome. Self-efficacy plays a leading role in a process which determines our chances to succeed. It's crucial to ensure that when setting a goal that our efficacy beliefs are aligned with our targets and not working against them. Albert Bandura, the cre-

ator of self-efficacy theory named four sources of efficacy: mastery experiences, vicarious experiences, verbal persuasion and psychological states (Positivepsychology.org.uk 2018).

Theory of self-efficacy is a theoretical framework, where in self-efficacy is described as having a paramount role in analyzing changes achieved in fearful and avoidant behavior. Efficacy concept is based on the assumption that psychological processes serve as a medium in fortifying expectations of self-efficacy. Self-beliefs of efficacy are key factors in human motivation as beliefs of efficacy perform in accordance with component skill and incentive to act. Efficacy expectations alone do not result the desired performance if the component capability is missing or is at inadequate level.

Individuals with high beliefs in their capabilities are executing the following behavior under different circumstances: approach difficult task as a challenge, set demanding goals and apply strong commitment to the goals, increase or preserve their level of effort if confronted by a setback, blame a lack of effort or inadequate knowledge and skill for their failure, but acknowledge that both are acquirable capabilities, approach threatening situations with confidence that they can control them.

In contrary, people with lower beliefs in their capabilities are executing the following behavior in similar situations: avoid tasks that they view as challenging, have low drive and commitment that they have decided to chase, give up quickly in the face of a challenge, their perception of efficacy is slowly recovered in failures, have a tendency to fall easily as victim of stress and depression (Principlesoflearning.wordpress.com 2018).

Individuals make causal contributions to their psychological functioning via their intentionally done acts. Among the intentional acts, none is more prevalent than beliefs of personal self-efficacy. There's a little incentive to act if people do not believe that their actions produce desired effect and therefore efficacy belief forms the basis of action.

“Perceived self-efficacy refers to beliefs in one's capabilities to organize and execute the courses of action required to produce given attainments” (Bandura 1997 p. 2)

Individual's beliefs in self-efficacy have an effect on outcomes. Their beliefs steer their directions of actions, how much effort they put in each endeavors, how long they will hang on before giving up, how quickly they recover from obstacles and failures and how much stress and depression they experience in confronting demanding environment (Bandura 1997 p, 2). Personal self-influence is affecting not only to choices, but also to the success rate of actions that are executed. Foresight, competency and means of self-influence are all acquirable skills. People are able to affect their lives through self-influence which can bring them closer to what they seek in life (Bandura 1997 p. 8).

Efficacy can be defined as a capability in which cognitive, social, emotional and behavioral subskills must be organized to serve countless purposes. There's a difference on just possessing a set of subskills and possessing them and executing them in severe circumstances. Taking the latter into account, perceived self-efficacy involves not the number of skills you have, but what you believe you can do with skills you have in under different circumstances. People with similar skills or same individual under different circumstances may perform unacceptably, adequately or remarkably, depending on their belief in their self-efficacy (Bandura 1997 pp. 36-37).

Individual's beliefs in their self-efficacy plays critical role in their self-knowledge. Efficacy beliefs stem from four main sources: mastery experience, vicarious experience, social persuasion and psychological states. Any given influence may operate via these sources of efficacy information (Bandura 1997 p. 79).

2.3.1 Self-esteem and self-efficacy distinguished

Self-esteem and self-efficacy mean different things although they are sometimes presented as synonyms. Perceived self-efficacy involves judgements of personal capability, whereas self-esteem is involved with judgements of self-worth. There's no link between individual's capabilities and liking or disliking himself or herself. However people tend to direct their capabilities in activities that increase their sense of self-worth. Achiever type of individuals may set themselves high standards that are not easily fulfilled and

suffer lower self-esteem, whereas other individuals with lower need for achievement enjoy high self-esteem because they do not demand as much for themselves (Bandura 1997 p. 11).

Perceived personal efficacy predicts what goals people set for them and performance they are going to need in order to achieve them, whereas self-esteem has no link to goals and performance (see Bandura 1997 p. 11).

Self-esteem or self-worthiness can stem from many different sources, for instance self-esteem may be based on self-evaluations on one's personal competency. Personal competencies that provide medium for achieving accomplishment generates legitimate basis of self-esteem (Bandura 1997 p. 12).

2.3.2 Mastery experience

The most powerful source of efficacy are mastery experiences because they transfer the most concrete evidence whether one has what it takes to be successful. Successes have a major effect on one's self-efficacy. Too easy and quick success experiences may form false beliefs on one's capabilities to achieve success and result an over optimistic expectancies which may lead to discouragement in a case of failure. A healthy belief of personal efficacy requires over coming barriers through an effort. In human pursuits, setbacks and failures are beneficial as they show and teach that in many cases success requires effort. Simultaneously setbacks lay a good ground for learning as they provide a need to study one's capabilities and what it takes succeed. By making through tough times and quickly rebounding from setbacks, people can rise stronger and more able. Mastery experience creates stronger efficacy belief than stimulus that is based on vicarious experiences, cognitive simulations or verbal instructions. Efficacy through mastery experience requires cognitive, behavioral and self-regulatory tools for mastering the right actions to conform to changing life circumstances (Bandura 1997 p. 81).

Development of human competencies is better managed by breaking down skills into subskills and organized them hierarchically. People can utilize better control over events if they are not only provided with rules and strategies, but also ensuring that they are

applied consistently and persistently. For achieving something, a competent set of skills and knowledge is not enough if there's a lack of self-beliefs. In general, success in performance increases self-efficacy and repeated performance failures reduce self-efficacy. Depending on how personal and situational factors are weighted and translated, even a smaller performance success can raise perceived self-efficacy and assure that individual has what it takes to achieve success (see Bandura 1997 p. 80). However, performance alone does not provide adequate information to define person's level of capability because there are many additional factors that affects performance. Therefore it depends not only on performance but various other factors such as difficulty of task, amount of effort and circumstances how perceived self-efficacy is formed (Bandura 1997 pp. 80-81).

2.3.3 Vicarious experience

Modeling serves as an effective fostering tool for building-up self-efficacy as self-efficacy assessments are partly leveraged by vicarious experiences (indirect experiences). Measuring adequacy level in many human performed activities is difficult. Therefore many people measure their capabilities in relation to others and their achievements. Social comparison is dominant factor in the self-appraisal of capabilities when adequacy of performance in relation to others is measured (see Bandura 1997 p. 87). Efficacy beliefs are increased if ranking in performance among reference group of similar status is high and decreased if ranking is low. In many cases, people compare themselves against their classmates, work colleagues or people in similar situations (Bandura 1997 p. 87).

2.3.4 Verbal persuasion

Social persuasion acts as the third source of perceived self-efficacy. Social convincing that one obtains capabilities to achieve is strengthening their beliefs. Encouragement of others is sustaining one's beliefs in his capabilities under demanding circumstances.

People who are encouraged verbally are likely to exercise greater effort especially in situations where they doubt their capabilities. When verbal persuasion leads to increased effort and further to success, self-reinforcing beliefs help development of skills and personal efficacy. Persuasion that leads to unrealistic beliefs of one's capabilities will discredit the persuaders and increase the recipient's belief in their capabilities (Bandura 1997 p. 101).

2.3.5 Emotional and physiological states

Physiological indicators such as fatigue, aches and pains as well as mood states affect people's perceived efficacy. Psychological indicators have especially pivotal role in tasks that require strength and stamina. Therefore enhancing psychical status and reducing stress and negative emotions is the forth way of changing efficacy beliefs (see Bandura 1997 p. 106).

Information transferred through physiological states and reactions are not diagnostic of personal efficacy by itself. This kind of information is affecting their self-efficacy through cognitive processing. Diagnostic of emotional impairment is also paramount in the cognitive processing. Stressful and demanding situations usually evoke emotional arousal that might have an effect on personal competency. Therefore emotional arousal is another source of information that can have an effect on perceived self-efficacy. Individuals rely partly on physiological states when judging their vulnerability to stress. High arousal of physiological and emotional states usually lower performance and therefore people are more likely to expect success when they are not surrounded by irritating stimulus (Bandura 1977 p. 198).

2.3.6 Cognitive process

A great number of literature shows that efficacy beliefs control human functioning through four processes; cognitive, motivational, affective and selective. More often

these processes function in accordance rather than in isolation. Individuals with high efficacy beliefs use future perspective in life planning. Much of purposeful human behavior is materialized in concrete goals. Goal setting is influenced by self-assessment of one's capabilities. High self-efficacy beliefs work in conjunction with high goal setting and high commitment. Efficacy beliefs influence on how people interpret situations and anticipatory scenarios in their mind. People with high efficacy beliefs see situations opportunistic and visualize successful scenarios that further provide positive models for performance. People with lower efficacy beliefs see uncertain situations risky and are more prone to visualize failure scenarios. Cognitive negativity that stems from personal shortcomings and negative situation visualizing, is a path to decrease motivation and performance. Large number of studies has proved that visualizing positive simulations where people see themselves carrying out activities skillfully, improves performance (see Bandura 1995 p. 116).

The influence of efficacy beliefs on cognitive processes is evident on complex organizational decision making. In an organizational context, more often decision making is relying on wide array of information under time constraint which lead to social and self-assess consequences. To complicate matters further, prior decisions impose additional constraints on decision making. Therefore in effective management, many decision making rules must be learned through exploratory experiences while simultaneously coping with organizational activities. Under these complex and severe decision making circumstances, self-regulative, affective and motivational factors can impose significant impact on the quality of decision making (Bandura 1997 p. 117).

2.3.7 Motivational processes

The bulk of human motivation is cognitively generated. Cognitive activity forms the ground for self-motivation and purposive actions. Coming future states cannot be origin for present motivation and action. However future states can have an impact on present cognitive activity through forethought. Perceived future states are translated into present motivators and regulators of behavior in cognitive process of forethought. This process

of purposive behavior is further complemented with goals that further drive behavior for the sake of achieving it. Further in the process, forethought is translated into incentives and actions with a help of self-regulatory mechanisms. In cognitive motivation, forethought is the process where people’s motivation and guiding actions are generated. In forethought process, people establish beliefs what they can do and assess perceived outcomes of different actions. Moreover in the process, people set goals for themselves and plan courses of action tailored to generate anticipated future. Self-efficacy beliefs play a critical role in cognitive motivation.

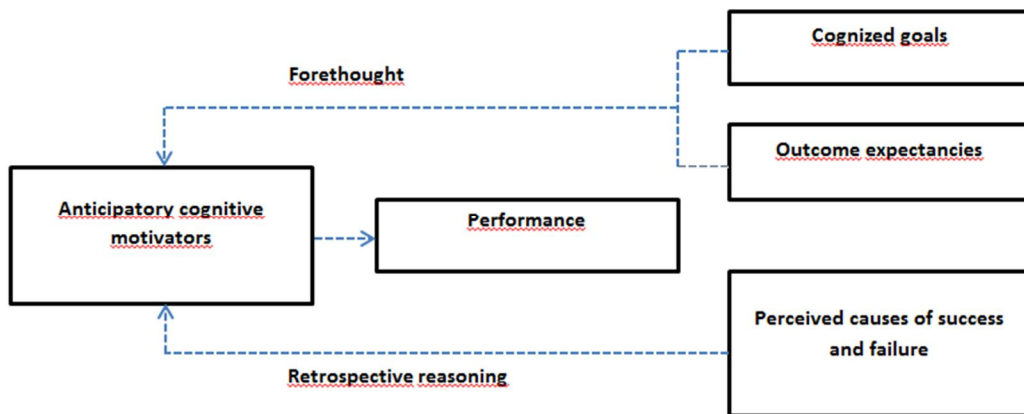


Figure 3. Cognitive motivation model (Bandura 1997 p. 123)

Figure 3 illustrates linkages between the outcome and goal motivators that further operate through anticipation mechanism. Causal linkages from prior achievements can affect future actions by reshaping judgement of perceived capabilities and task demands.

2.3.8 Affective process

Self-regulation of affective states is also tied up to self-efficacy mechanism. Efficacy beliefs affect emotional experiences through operation of personal control via thought, action and affect. In the regulation of affective states, the thought mode of influence works in two ways. Efficacy beliefs generate prejudices that are emotionally affecting either favorably or harmfully. Moreover the thought process influence on one’s cogni-

tive abilities to control harmful thoughts. Action mode of influence, efficacy beliefs control emotional states by supporting powerful actions that change environment to reflect emotional potential. Affect mode of influence engages perceived efficacy to enhance adverse emotional states if they are aroused (Bandura 1997 p. 137).

By learning that human behavior is not at the mercy of emotions and feelings, one becomes less prone to emotional reactions. It helps to deal with emotional challenges with strong sense of self-efficacy (Positivepsychologyprogram.com 2018).

2.3.9 Selection process

As people are partly the products of their environment, people can influence what they will become by selecting favorable environment. Selections are influenced by beliefs of personal capabilities. Therefore self-efficacy beliefs can have a great effect on influencing people's direction of life by guiding what kinds of actions and environments they choose to engage. People prefer to pick activities and social environments that they feel capable of handling and avoid activities and environments that they believe will exceed their capabilities (see Bandura 1997 p. 160).

Selective process is distinguished from cognitive, emotional, affective processes because it's the first process to take place before the other regulative processes can materialize. Efficacy based selections that may alter course of life bear a great significance. Therefore selections made during formative years carry a special importance because they set up a series of linked experiences that define requisites for future.

Studies of career choice and development reveal a link between efficacy beliefs and selection process. People with high sense of efficacy, feel that they have greater number possible career options than people with lower sense of efficacy. In addition, people with high sense of efficacy tend to show greater interest to multiple career choices and prepare themselves educationally for different professional careers (Bandura 1997 p. 161).

2.4 Summary of theoretical framework

This paragraph contains short summary of each of the main theoretical concepts used in the research. Motivation theories are summarized in Figure 4, which illustrates personal characteristics and behaviors that are usually affiliated to a person motivated by the respective theories. Summary of competency categorization is presented in Table 2, which presents all the competencies enlisted in the theory paragraph. Competencies are further categorized and a sample behavior is presented in Table 2. Similarly and as presented with motivation and competency theories, self-efficacy theory is summarized and a self-efficacy model is developed to illustrate the development and further behavior is affiliated to high and low efficacy persons. The self-efficacy model is shown in Figure 5. Furthermore in this paragraph, a model linking the three main theoretical concepts is presented in Figure 6. This conceptual model supplemented with the research questions is later used for the analyses of empirical results in chapter 5.

2.4.1 Summary of motivation theories

Motivation is analyzed by using David McClelland's Theory of Needs and goal motivation. McClelland's theory identifies three needs that work as motivators as people are trying to satisfy them. The three needs used in the theory are achievement, power and affiliation needs.

Goal motivation theory claims that people are motivated through goals and seek self-satisfaction by fulfilling goals. The underlying argument is that hard and specific goals increase motivation and further increase performance. The below Figure 4 enlists typical personal characteristics and behavior for each motivational driver used in the research.

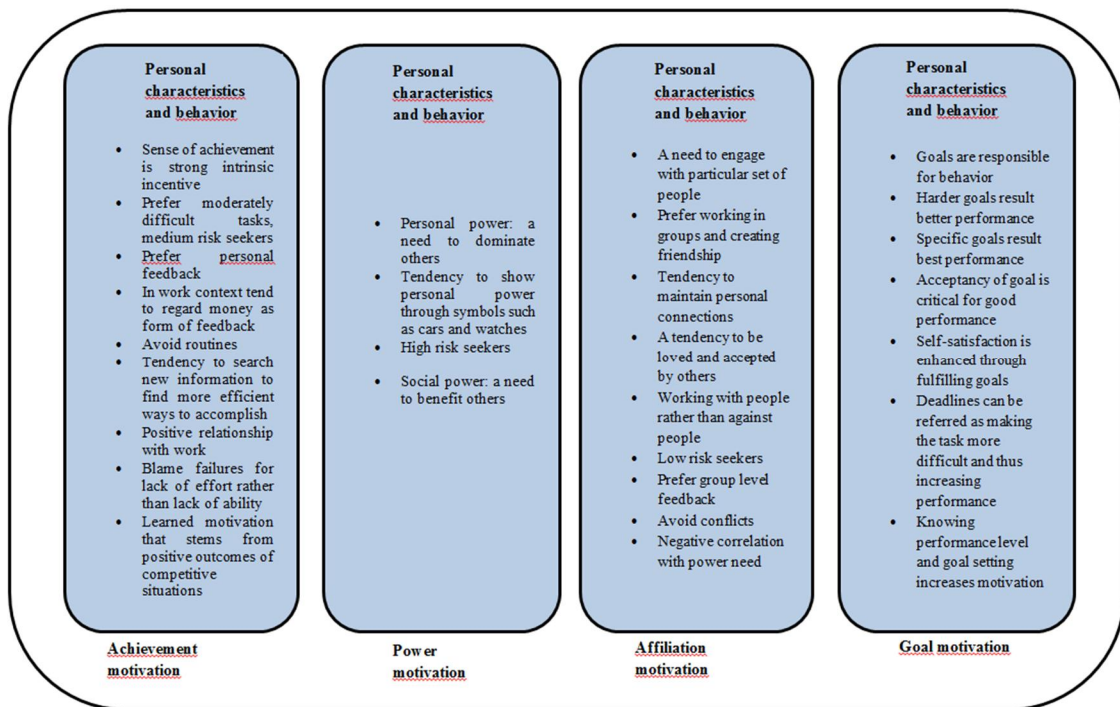


Figure 4. Motivation characteristics

2.4.2 Summary of competencies

Competency is defined in this research as a combination of skill, knowledge and ability. The aim is to find essential competencies required in a CEO position as the interviewed CEOs view and experience them. Furthermore, competencies are analyzed by using competency category matrix, which categorizes competencies in five different categories: task achievement, relationship, personal attribute, managerial and leadership competencies. These five competency categories with their respective competencies are presented in Table 2 below.

Leadership competencies	Visionary leadership	Strategic thinking	Entrepreneurial orientation	Change management	Building organizational commitment	Establishing focus and living according to purpose	Purpose, principle and values	
Sample behavior	Communicates company mission, vision and values to external and internal stakeholders	Understands organizational strengths and weaknesses	Analyzes and identifies new business opportunities	Identifies supportive and resistant elements in organization and further provide resources for change	Builds concern for organization's welfare	Helps other to understand their role in reaching business goals	Uses purpose, principle and values to explaining decisions and actions to others in the organization	
Managerial competencies	Teamwork building	Motivation of others	Empowering of others	Developing of others	Attention to communication	Influence	Decisiveness	Decision quality
Sample behavior	Identifies and allocates right resources for team members	Uses different approaches to inspire and energize others	Shares responsibility	Help others to recognize their obstacles for personal growth and development	Uses different communication channels effectively	Plans of one's actions to overcome people if faced with resistant	Takes charge of a group	Evaluates short and long term consequences in decision making
Personal attribute competencies	Integrity and truth	Self-development	Decisiveness	Decision quality	Stress management	Analytical thinking	Conceptual thinking	
Sample behavior	Takes personal responsibility and lack of defensiveness	Identifies personal strengths and weaknesses	Takes charge of a group	Evaluates short and long term consequences in decision making	Expresses emotions without harmful consequences	Identifies complex problems	Identifies and helps other to identify contributing factors in complex situations. Sees the big picture.	
Relationship competencies	Team working	Service orientation	Interpersonal awareness	Organizational savvy	Relationship building	Conflict resolution	Attention to communication	Cross cultural sensitivity
Sample behavior	Establishes positively commitment of others	Satisfies and identifies others' need	Satisfies and identifies others' need	Identifies and uses informal channels in organization to influence others	Connects easily with people from various levels in organization	Solves disagreements discreetly	Uses different communication channels effectively	Respects cultural diversity and adjusts one's behavior and communication accordingly
Task competencies	Result orientation	Managing performance	Influence, initiative	Production efficiency	Flexibility	Innovation	Concern for quality	Technical expertise
Sample behavior	Aims hard for goals	Monitors quality and quantity of performance	Plans actions to overcome people if faced with resistant, takes actions proactively	Performs tasks efficiently	Responds quickly to changing situations	Proactively searches for new ideas, methods or processes	Shares concern and influences organization to adopt quality improving actions	Uses knowledge to develop and modify existing techniques

Table 2. Competency category matrix (Zwell 2000 pp. 24-56)

2.4.3 Summary of self-efficacy

Self-efficacy concept originates to psychologist Albert Bandura. Self-efficacy concept claims that people’s self-efficacy determines how efficiently they are able to use their capabilities. Strong efficacy beliefs result better and positive control over one’s emotions, cognitive thinking, motivation and decisions, which further result more successful behavior and ultimately enable people to reach what they pursue in life. Self-efficacy model in Figure 5 illustrates development of self-efficacy beliefs and further their influence to behavior. Efficacy beliefs are key influencers when people are deciding what kinds of actions they take and what level of goals they decide to pursue. The below model illustrates how efficacy sources influence the development of efficacy beliefs.

Further in the model, efficacy beliefs produce their effect through mediating processes of cognition, motivation, affection and selection. In mediating processes higher efficacy beliefs lead to better emotional control, more opportunistic view on one’s capabilities and surrounding world that eventually leads to more ambitious goal setting, which in turn leads to behavior that better fulfills pursuits in life. In contrary, lower efficacy beliefs lead to viewing situations risky, visualizing failure scenarios, intervening of negative emotions and feeling of having less choices of action. Lower level of thrust on personal capabilities affects negatively on expectancy of success and goal setting and further leads to less successful behavior.

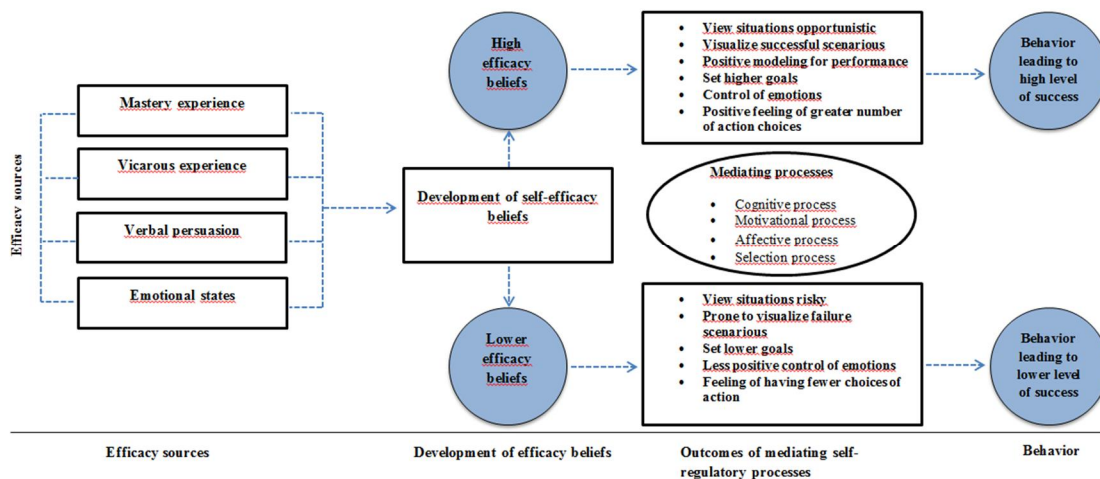


Figure 5. Model of development and influence of self-efficacy beliefs to behavior

2.4.4 Conceptual model of motivation, competencies and self-efficacy

Conceptual model of motivation, competencies and self-efficacy in Figure 6 illustrates connections between the different theories used in this research. In this study, motivation theories are used to find out what energizes and triggers effort of a CEO. Motivation in the model seeks answer for the “why” part in the study. Motivation theories used in this research include acquired needs theory of achievement, power and affiliation and goal motivation theory. Further in the model, motivation is one of the three factors affecting behavior.

Competencies in this conceptual model are used to find out what are the required competencies for a CEO and further to answer to the “what” part of the study. This research defines competencies as a combination of skills, knowledge and ability. Competencies are one of the three factors in the model affecting behavior that leads to CEO position.

The core of this model is self-efficacy, which is developed through efficacy sources of mastery and vicarious experiences, verbal persuasion and emotional states. The level of efficacy beliefs is determined in mediating processes seen in the previous page in Figure 5. Self-efficacy is the third factor affecting behavior and that further leads to CEO position. Self-efficacy in the model seeks answer for the “how” part in the study.

In summary, the three theoretical concepts of motivation, competencies and self-efficacy are the driving factors affecting to behavior, which is further connected to CEO position. The conceptual model in Figure 6 is used in the research analysis in chapter 5.

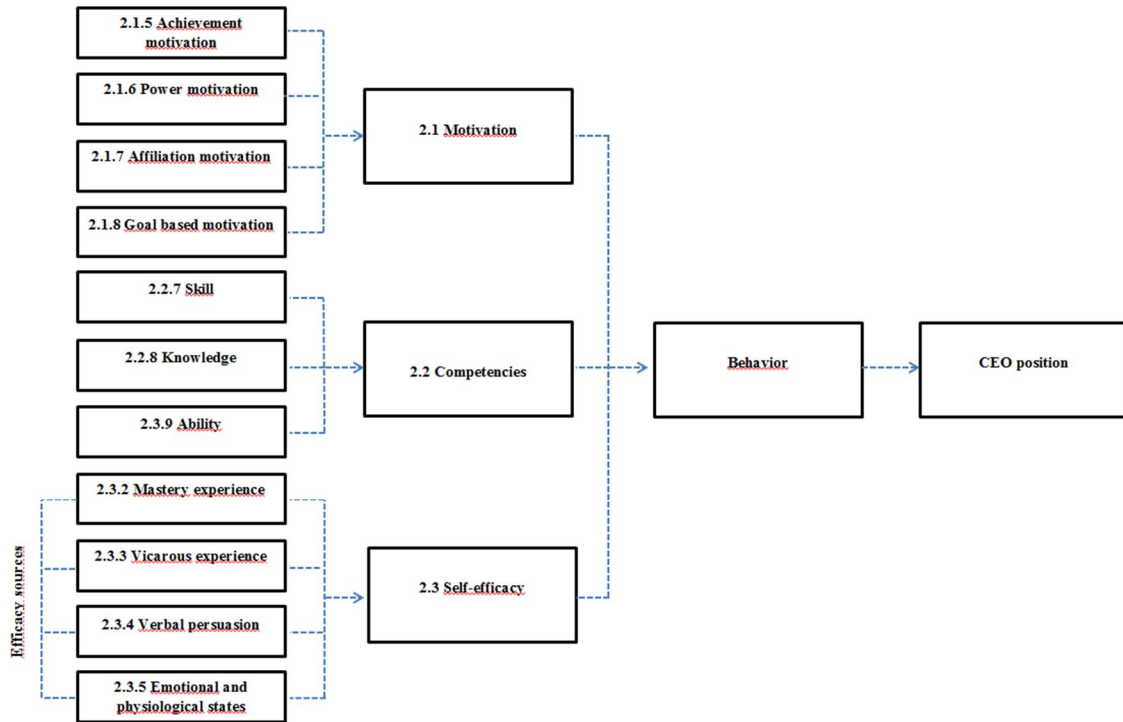


Figure 6. Conceptual model of motivation, competencies and self-efficacy

3 EMPIRICAL RESEARCH

This qualitative research uses a case study as its research strategy. The empirical part of this research can be divided into two phases. The first phase included formulation of the research questions, choosing the right interviewees and conducting the interviews (collecting data). The second phase included interpretation of the results, analyses of the results (data) and formulation of the conclusions.

3.1 Qualitative research

The case study has been a widely used research strategy in sociology, political science, business and even economics. From a research perspective, the need to use the case

study stems from a desire to understand complex social phenomena and provides a method to describe real life events such as individual life cycles and organizational and managerial processes. The case study is empirical research that investigates phenomenon within its real-life context and further deals with technically distinctive situation, relies on multiple sources of evidence and benefits from the prior theoretical propositions (Yin 1994 p. 3).

Qualitative researchers are dedicated to view events and the social world through the eyes of the people they study. The social world must be interpreted from the perspective of people being studied. Moreover, a qualitative research involves face to face interaction to participate in the mind of another human being to acquire knowledge and interpret the perspective of people (see Bryman&Bell 2007 p. 402). Qualitative studies often provide a detailed level of data that can be at first perceived as trivial. However, details are important in qualitative research because their relevance for the research subjects and because they provide context, in which people's behavior takes place (Bryman&Bell 2007 p. 403).

According to Bryman&Bell (2007 p. 390), the main six steps in qualitative research include: general research questions, selecting relevant sites or subject, collection of relevant data, interpretation of data, conceptual and theoretical work and writing up conclusions.

3.2 Data collection

Interview is one of the most important data sources of the case study. The most commonly used case study interview is formed as open-ended interview, which means that you can ask respondents for facts and opinions. Focused interview is another type of interview form, in which respondent is interviewed for a short period of time. In focused interviews, interview structure remains open-ended and flow in a conversational manner, but one is likely to follow a set of questions evolved from the case study structure.

A third type of interview resembles more of a formal survey with structured questions (Yin 1994 pp. 84-85).

This case study is conducted by using interviews as the main source of collecting the research evidence. Interview type can be considered as focused type interview as it followed structured set of questions in rather short period of time. The empirical part of the research included three separate interviews with three different respondents. All of the interviews followed the same interview guide, which consisted interview questions from the theoretical framework of motivation, competencies and self-efficacy. Altogether there were a total of 36 structured interview questions with the following distribution: questions 1-9 were base questions aimed to find out respondents' background, questions 10-18 were motivation questions aimed to find out respondents motivational drivers, questions 19-33 were competency related questions aimed to find out respondents' view on competencies and questions 34-36 were aimed to find out self-efficacy related experiences. However as self-efficacy is a theoretical concept of self-control and self-confident, the concept of self-efficacy may be present in motivation and competency related questions.

All of the interviews were conducted in Finnish language and were recorded. After each interview, interview recording was written down and interview transcripts were formed. Further, the interview transcripts were used for interpretation and analyzing the interview results.

3.3 Setting and interviewees

All the interviews were recorded and conducted anonymously in Finnish language. This procedure was done in hope of receiving more truthful and informative answers as respondents were more likely to speak freely and further produce higher quality content for the research. The three interviews were respectively conducted at the respondents' workplace in late March 2018.

Each of the respondents worked as a chief executive officer in their respective companies. The respondents were selected through author's own network. Although the ques-

tions were given in advance, additional follow-up questions were presented during the interviews. In order to guarantee respondents' anonymity, the three CEOs are referred as CEO A, CEO B and CEO C. Short descriptions of respondents and their managing companies are presented in chapter four.

3.4 Interview questions

The interview questions were based on the theoretical concepts of motivation, competencies and self-efficacy. The interview questions were formulated to attain deeper understanding of the research topics and more importantly to cover the topics broadly to produce sufficient amount of data to be able to answer to the research questions. The structure of the questions were done in open-ended question format and supplemented with follow-up questions if needed. Interview questions can be found in Appendix 1. Follow-up questions are not listed in Appendix 1 as they were presented ad hoc and adjusted according to the interview atmosphere. Original Finnish language interview questions Appendix 1 are translated to English for the research purposes.

3.5 Trustworthiness

The natural argument behind trustworthiness is: How can a researcher convince the audience that the research findings are valid and reliable. In naturalistic qualitative studies, the conventional view that regards research findings must meet the criteria of absolute truth, is viewed critically. In contrary to the conventional research standards, naturalistic study view is that there can be several truths in social world. Lincoln and Guba (1985) suggest that trustworthiness in qualitative research is made up of four criteria: credibility, transferability, dependability and confirmability (see Bryman&Bell 2011 p. 395).

Credibility refers to the acceptability of findings. One technique of ensuring credibility includes respondent validation, which means that research is conducted according

to good practices and that research findings are submitted to research respondents for confirmation that the researcher has understood social world correctly. The other credibility technique is called triangulation, which refers to using more than one method or source of data in the study of social world (see Bryman&Bell 2011 pp. 396-397).

Transferability refers to research findings holding true in some other context or in the same context at some other time. According to Lincoln and Guba in naturalistic studies, holding true is secondary as it's viewed as an empirical issue. Instead, naturalistic qualitative researchers are expected to produce a thick description of the subject containing large amount of details. Thick description can further be used as database for making judgements of transferability of findings in another context according to Lincoln and Guba (see Bryman&Bell 2011 pp. 398).

Dependability in naturalistic study context refers to auditing approach, which means that all research records are kept from all stages of research and available to colleague auditors. Research records may include problem formulation, selection of research participants, notes, interview transcripts and data analysis decisions. However, in business and management qualitative studies, the auditing hasn't gained much popularity probably due to the large databases that such studies are inclined to generate (Bryman&Bell 2011 p. 398).

Confirmability refers to the concept of good faith, which means that the researcher hasn't allowed personal values or theoretical interpretations affect in objectivity of the research and findings resulted from it. Therefore ensuring that good faith has materialized in the research, should be one of the aims for the research auditors (Bryman&Bell 2011 p. 398).

The following steps were taken in order to meet the requirements of trustworthiness of the research findings. Triangulation of sources and theories was used to ensure the credibility of findings. In practice, this meant that the interviews were similarly constructed and three different interview sources were used to ensure triangulation of data sources and further credibility. In addition, three different theories using several sources were used in the research study to ensure triangulation of theories.

To ensure transferability and dependability, the interview records were transcribed and findings in Chapter 5 of this research study are presented extensively. In addition, the respondents' direct quotations are presented in order to ensure that details are communicated as respondents intended. All of the research records such as interview tapes, interview transcripts, notes of research problem formulation and formulation of models are available for auditing to ensure confirmability.

4 RESULTS OF EMPIRICAL RESEARCH

Results of empirical research section of the study include subjective interpretation of the three research interviews. Each of the three interview results are presented as a separate case per interviewed person and further divided into three theoretical sets of motivation, competencies and self-efficacy. Although the interview questions were initially formed as three separate theoretical sets, there might be overlapping in interview questions and results between different theory concepts. Furthermore, the below interview results follow the same sequence as the original interviews. Each of the interview cases presented below includes respondent's quotations to highlight and capture the original message as recorded in the interviews. All of the respondents' quotations are translated from the original Finnish language interview transcripts.

4.1 CEO A

CEO A has twenty years work experience as a company CEO and currently has ten subordinates reporting directly to him. His educational background is MSc in economics. Company annual revenue reaches almost 500 million euros with 1300 employees. Company business includes trading of services and manufacturing of services in domestic and foreign markets. Company structure is a limited liability company owned by the foreign mother company.

Date and time: 20th of March 2018 at 2:00 PM

Interview duration: 1 h 33 mins

4.1.1 Motivation

After changing employers and positions at the early stage of the career, one of the most memorable work assignments for CEO A was launching a new company department from scratch. CEO A experienced great success at work at young age as he was a member of executive team before the age of thirty.

Becoming a CEO was never a clear goal for CEO A and CEO A concludes that a success and a drive to succeed are natural incentives for young individuals. CEO A experiences that becoming a CEO was a sum of many things and feels that the prior work experience was one of the most apparent factors contributing to the selection of becoming a company CEO.

CEO A experiences that being able to manage a market leading company that yields above industry average financial returns are the most important factors for him in the CEO position. Moreover, working with professional people is equally important for CEO A and continues that the company executive team has always been at the top of its class.

In addition, experiencing international business atmosphere and working with foreign cultures has been important for CEO A during his career as CEO. Later in career CEO A was the business region CEO responsible for several country organizations and that has ensured a close view on how people think and act in different cultures.

Financial result is always important for CEO states CEO A, but continues that customer satisfaction and employee satisfaction are important metrics for indicating a good CEO performance. CEO A further claims that he feels that the importance of employee satisfaction metrics has increased in recent years. Therefore measuring, analyzing and further acting upon it is important although responding to various employee expectations can be challenging.

CEO A defines himself as a low risk taker and considers prior employer changes as biggest risks in the work career.

Success in work career is defined by CEO A as what stands in the resume and continues that having experienced several position changes inside the company, the ability to create trust in personal relationships has always been critical.

CEO A defines future attainments from the organizational perspective and mentions that improving financial results in one business segment and turning it a financially solid business as one of the top future goals. Moreover, CEO A feels that goals are the backbone of an organization and CEO position. As a CEO, it's essential to be able to communicate goals throughout the organization and CEO A feels that experiences in team sports has increased his understanding of goal-setting and the importance of goal itself already at the young age.

CEO A considers that a good work culture is based on honesty and trust. Moreover, CEO A feels that it's equally important to ensure that employees know what they are expected to achieve. Combining personal and professional life has never been a problem for CEO A.

Interview question	CEO A quotation
10/36	"I don't think that nobody ever really knows what's the next step in your career. Becoming a CEO is a sum of many things"
11/36	"Up until last few years, we have been the industry leader in terms of EBIT margin"
11/36	"I am excited by the fact that you are in charge of the best ranked company in the market and being able to keep it in there"
11/36	"Working in teams is important, because in large organization you cannot manage everything yourself. You have to ensure that everyone has own role and is working towards the same goal"
12/36	"Financial results are always important, but other two important elements are customer and employee satisfaction. If the first two metrics are at good level, but employee satisfaction level is down, it means that in short time span, financial and customer satisfaction metrics start to go down"
14/36	"I suppose that it's your CV that defines your career success"
15/36	"Education in economics has taught me a lot about leadership and succeeding, but I personally believe that playing team sports at high level and setting team goals and understanding their meaning has resulted the most valuable experiences in terms of processing successes and failures"
18/36	"Combining work and personal life has worked out well. Long workdays or business trips have never been an issue for me"

Table 3. CEO A motivation related quotations

4.1.2 Competencies

Knowledge is regarded as extremely important by CEO A. Theoretical knowledge is important, but CEO A is a strong believer of practical knowledge that is gained through experience.

Seeing the big picture and the ability to envision different scenarios are important competencies for executives concludes CEO A. Sharing scenarios with key management persons and assessing of different outcomes is important for CEO A. Moreover, getting along, leading and supporting people in demanding circumstances are important competencies for a CEO. Team building and the ability to choose the right people to the right positions is also important for a CEO.

Clarity and consistency are essential in effective communication according to CEO A and continues that it's important that people understand what CEO thinks and attempts to accomplish.

The ability to create personal relationships is important for CEO A and views that a CEO's behavior must always be subtle and discreet. According to CEO A, a CEO needs to be systematic and demand that from others. In addition, people need to be able to trust their CEO as many employees may feel that they are working for the CEO who most often embodies the company.

Personal values of trust and honesty are highly regarded by CEO A. From a company perspective, CEO A views values as the backbone of an organization.

CEO A feels that stress management has always been in good control partly due to the habit of starting to prepare for projects well in advance. However, CEO A argues to be a stress inclined person in a sense, because performing well is always important.

Interview question	CEO A quotation
19/36	"Knowledge is important. I don't think that a person who is only clever will succeed in this position, you need to have an ability to assess situations from several angles and be able to determine the key contributing factors, what is the big picture and what are the possible scenarios and make decisions accordingly"
20/36	"Seeing the big picture to me means that I'm able to understand competitors, understand the environment, what was it yesterday and what is it today. If it is like this, what are the optional scenarios that can be done"
20/36	"Team building and choosing the right key people is important. I believe that we have succeeded well in that"
24/36	"A CEO who doesn't get along with employees, partners and customers is going to face great difficulties"
31/36	"In a sense I'm stress inclined person, because I always want to perform well"

Table 4. CEO A competency related quotations

4.1.3 Self-efficacy

CEO A considers prior work assignment of building a new company department from scratch as one of the most concrete accomplishments in his work career. Advancing and becoming a market leader in that business segment and exceeding personal and company expectations were seen as the key contributors in that accomplishment according to CEO A.

Although free from any major set-backs, one ill-fated company buy-out has been memorable for CEO A as later that company was acquired by rival company and became a big competitor in that business segment.

CEO A regarded a former director and superior as a role model earlier in the career, although acknowledges that many customers and subcontractors have influenced him positively during his career.

Interview question	CEO A quotation
34/36	"In two years, we were the market leader in the number of services produced and exceeded our own expectations and owners' expectations"
36/36	"I learned from him that more conversational leadership style leads to a better employee motivation and commitment"

Table 5. CEO A self-efficacy relates quotations

4.2 CEO B

CEO B has twelve years work experience as a company CEO and currently has seven subordinates reporting directly to him. His educational background is MSc in economics. Company annual revenue is almost 15 million euros with 40 employees. Company business includes trading of goods and manufacturing of services in domestic and for-

eign markets. Company structure is a limited liability company owned by business partners.

Date and time: 22nd of March 2018 at 9:00 AM

Interview duration: 1 hour 49 mins

4.2.1 Motivation

After graduating from business school CEO B went to work for the same company, wherein he later became the company CEO. CEO B argues that ambition and luck played a role in the CEO selection process as well. As CEO A, CEO B has been involved in competitive sports at younger age and experiences that team sports has taught to perform as a team and win and lose as a team. CEO B was often the captain of the team and finds similarities in personal qualities that are required from a sports team captain and from a CEO. Similar qualities include being trustworthy, smart and possessing concrete skills.

CEO B feels that what he considers important in this position has varied along the career. The ability to perform and succeed was driving force at the early stage of career. At later stage, business development and growth has been especially important for CEO B. The ethical side of the business is equally important for CEO B.

Company financial results, observing that things run smoothly and that people stay with the company are clear signs for CEO B for a good CEO performance.

CEO B no dot regard himself as a high risk taker. Accepting the CEO position and becoming the company part owner are viewed as the biggest risks during his career. From the company perspective, company buy-out can be regarded as one of the biggest risk.

Success is defined by CEO B as financial success without sacrificing too much time reserved for the family. As a person, CEO B finds himself to be ambitious and self-confident.

Moving forward is a natural stage of mind for CEO B. Moving forward can happen either through company growth or doing something completely different. CEO B finds that one of the dominating personal qualities has always been the need to perform well and accept challenges.

A good work culture stems from values and is based on respect and trust according to CEO B.

CEO B feels that combining work and personal life has worked out well and continues that the ability to control work load is essential part of good leadership and pre-requisite for success.

Interview question	CEO B quotation
10/36	"I was asked for the CEO position. I had just graduated from business school and had a high confidence on my abilities. Ambition and pure luck also played a big role for me to becoming a CEO"
11/36	"In the beginning of my career, the doing itself and accomplishing things were the rewards, but later in my career financial reward has become more important. You want to get a compensation for the work you have done"
12/36	"Numbers are one thing. I like numbers because they give a certain security for the job, which is filled with noise and opinions"
13/36	"Company must grow and try-out things to be able to re-create itself. This affects to work motivation and atmosphere. You have to move forward or you become stagnant"
14/36	"I highly value the fact that I have been able to spend time with my family and been able to keep working hours and travelling in control"
15/36	"I have always had internal drive to perform well and accept challenges"
15/36	"In the army I always performed the best I could even though it meant additional six months. I just couldn't underperform"
18/36	"Under stress you make bad decisions. You are angry and do not listen to people"

Table 6. CEO B motivation related quotations

4.2.2 Competencies

CEO B feels that theoretical education has positively influenced his thinking and self-confident. Moreover, CEO B feels that decision making process and his view on risks, facts and the surrounding world have been positively influenced by the theoretical knowledge. Languages, accounting, communication and corporate law are concrete school subjects that CEO B has found useful in the CEO position.

CEO B regards self-knowledge as one of the most important competencies for a CEO as a CEO must know personal strengths and weakness in order to be able to delegate effectively.

In addition, strategic thinking, interpersonal skills and ability to see the big picture are essential for a CEO. Without the ability to see the big picture, a CEO is playing on a short-sighted tactical level, which eventually leads to problems in terms of values and consistency.

Although not believing to any written leadership principles, CEO B regards values as his leadership principles.

Ambitious, resilience, sedate, staying in control and positive thinking are personal characters that CEO B recognizes in his own personality and feels that a CEO's impulsiveness distracts decision making. A need to be liked or accepted by others is less important for CEO B and concludes that a CEO needs to be able to keep the right distance with employees without getting too close or being too distant supervisor.

CEO B argues that extreme personalities couldn't succeed as a CEO and that neither overly analytic nor overly eager personality wouldn't make a great CEO.

CEO B considers values as very critical in a CEO position. CEO B regards justice and fairness as personal values, and feels that the same values are also contributing to good leadership. Values are like two-edged sword, on the other hand they have an impact on financial results, but on the other hand if there's no result, it all comes down to the sur-

vival of a company, concludes CEO B and continues that the true meaning of values is assessed in a company crisis.

Although CEO B believes that feedback is essential for everyone, it's important to be able to self-analyze events and not solely rely on external feedback.

CEO B defines himself as a stress tolerant person. Excess stress is identified by a lack of sleep, claims CEO B.

A quality decision making requires common values, facts and holistic view on the surrounding environment concludes CEO B and continues that knowing the underlying structures is the key for good decision making.

Interview question	CEO B quotation
19/36	"Concrete skills that I have learned at the school of economics are languages, communications, corporate law and accounting - a CEO must understand numbers. Basic studies have taught a lot of practical skills that have been useful in CEO position"
20/36	"Self-knowledge is one thing, a CEO needs to identify his strengths and weaknesses to be able to delegate. A CEO must be able to see the big picture. Without that competence, you are playing short-sighted game on a tactical level"
23/36	"I regard myself a sedate, staying in control type of personality. I have never yelled at anyone at work. Yelling would make me feel that I have failed as a CEO"
27/36	"I believe that even a difficult and unpleasant decision can be done in accordance with your values"
33/36	"A CEO must understand the underlying structures in decision making. If you fail to do that, you end making bad decisions"

Table 7. CEO B competency related quotations

4.2.3 Self-efficacy

CEO B regards company buy-out and further resulting negotiations and mergers as one of the success experiences as a company CEO, although merging two companies into one unit resulted difficult and unpleasant decisions that eventually led to employee no-

tice of terminations. CEO B does not recall any bigger set-backs during his time as a CEO.

CEO B finds difficult to nominate a single role model, but admits that the company founder may have been the biggest influencer along his career.

Interview question	CEO B quotation
35/36	"Company merger involved difficult and unpleasant decisions that lead to notice of co-operation terminations"
36/36	"Maybe you can consider the company founder as an influencer. The best things that I learned from him are related to humanity"

Table 8. CEO B self-efficacy related quotations

4.3 CEO C

CEO C has twelve years work experience as a company CEO in four different companies and currently has six direct subordinates reporting directly to him. His educational background is MSc in engineering. Company annual revenue exceeds 80 million euros with over 180 employees. Company business includes wholesaling and retailing of goods in domestic market and manufacturing and selling of goods in domestic and foreign markets. Company structure is a limited liability company owned by three business partners.

Date and time: 28th of March 2018 at 2:00 PM

Interview duration: 1 hour 10 minutes

4.3.1 Motivation

CEO C argues that becoming a company CEO has never been a clear goal for him and feels that prior achievements in career and being in the right place at the right time have

been the main contributors in promotion to CEO position. Proving to him and others that one has what it takes to perform and succeed, are nominated as the most identifiable drivers for CEO C. Before becoming a CEO, CEO C has received positive feedback from contemporary company CEO and positive feedback from aptitude tests for his leadership qualities.

CEO C finds that business diversity, which includes wholesaling, retailing and manufacturing as well business challenges are especially important and rewarding for him as a CEO.

Company financial results are one obvious indicator for well performed work, concludes CEO C. Noticing that things run as planned and that employees feel well are also clear signs for CEO C for good work performance.

CEO C regards changing employer and starting in new industry as the biggest risk in his career and recognizes that age and experience have influenced and lowered risk taking behavior at older age.

There is no single goal that CEO C wants to accomplish, but continuing to influence people and taking the business further in terms of improving market position and financial results remain top priorities.

CEO C argues that a good working culture includes equal employee rights and rules, open communication, humor and sharing responsibility.

Work has always played a big role in CEO C's life and long workdays have never been a problem for him.

Interview question	CEO C quotation
10/36	"One of my former superiors and the company CEO once said that wait five years and you'll be in my position"
11/36	"Succeeding in this job results personal satisfaction that is hard to match"
12/36	"You know that you have done a good job when things go as planned and employees know their roles and responsibilities"
15/36	"From a hierarchical standpoint, I'm on the top position in this organization, but personal job satisfaction and financial results will be driving me in the future as well"
17/36	"Leading with values builds organizational culture. There's no single thing. As a CEO you are a role model for others and a you must behave accordingly"
18/36	"Luckily I have a very understanding wife, who has enabled long days in the office"

Table 9. CEO C motivation related quotations

4.3.2 Competencies

CEO C feels that analytical thinking and more relaxed way on confronting day to day problems are capabilities that experience has taught him. CEO C considers theoretical education important as it breaks boundaries and enables to perceive and understand wider concepts.

Listening others, decision making and understanding wide concepts are the most important competencies for CEO C. Sharing responsibility and listening are great ways to motivate people, concludes CEO C and feels that leadership style has changed from authoritarian commanding style to conversational style that motivates people to work toward the same goal.

Respecting and valuing employees are essential leadership principles for CEO C and views that even difficult and unpleasant decisions can be done accordingly. Due to the company diversity, CEO C sometimes finds himself in situations where one has to ap-

ply different leadership practices in relation to company financial state as one of business unit may grow while the other unit one may be in crisis simultaneously. Therefore CEO C finds that true leadership is assessed in crisis management, which requires involving people to the process. CEO C experiences that by involving people, commitment and motivation is better. From CEO's perspective, it requires resilience, long term commitment and control to steer things to the right direction.

CEO C regards resilience, result orientation and a drive to push things forward as important personal competencies for CEO. In addition, interpersonal skills are important for a CEO as a CEO must be able to motivate people.

CEO C has been involved in two company buy-outs and mergers as a company CEO and regards communication as of the most important skills in successful company merger.

CEO C defines values as rules and protocol of the game and feels that values work as the backbone in difficult negotiations. Personal values cannot differ too much from company values. If they differ too much, it becomes too consuming for the individual.

From management perspective, importance of feedback has increased in recent years, argues CEO C. When a person receives feedback, person experiences that his work is valuable and has a meaning, CEO C concludes.

CEO C experiences that positive stress is welcomed as it ensures that things progress and it increases performance. Company mergers that often include tight schedules and large financial responsibilities are easy to name as potential sources of stress, argues CEO C.

Making the decision without understanding the entire concept can be fatal, claims CEO C. CEO C views that in quality decision making, seeing the big picture and understanding the consequences is essential.

Interview question	CEO C quotation
20/36	"Nowdays CEO's work is more to make people to work towards the same goal and motivate them to do business"
21/36	"You often hear people saying that its easy to manage a successful company, but the true leadership starts when things start to go wrong and results are inadequate"
21/36	"Crisis means change. You gotta to make the change in order to get into different state. If people do not have a motivation, there will be no change. Motivation comes when people share the same view on the circumstances and have a will to move forward"
25/36	"You cannot stress enough the importance of communication in company mergers. When two companies have merged, there's no seperate old or new orgazation anymore"
31/36	"Company mergers that include tight schedules and large financial responsibilites are always stressful experiences. However, I feel that a little stress is welcomed as I feel that I perform better and things progress under stress"
33/36	"From a communication perspective, it's important to be able to communicate decisions clearly and honestly"

Table 10. CEO C competency related quotations

4.3.3 Self-efficacy

CEO C concludes that positive feedback, which contains a message that you have succeeded as a leader is motivating and enhances beliefs that CEO is doing the right things. Good financial results or managing a company merger so that the new organization can continue with high motivation can always be considered as a success from CEO's perspective. But it is part of the human nature to forget negative experiences, concludes CEO C.

Pointing out a single person for role model is difficult, but many former directors have influenced positively to CEO C.

When asked the importance of personal networks, CEO C finds them very important and continues that a peer to peer network with fellow CEOs has been extremely important for sparring and sharing experiences.

Interview question	CEO C quotation
35/36	"Obviously there has been set-backs in my career, but I suppose that it's a part of human nature to forget negative experiences"
36/36	"One of my former supervisors was an excellent decision maker. He approached situations with detailed questions and could very quickly form the big picture"
36/36	"CEO's work can be lonely from time to time and you cannot share everything with your own organization. In many occasions, it's valuable to have a peer to peer network for sparring. I consider this network as the most important for sparring and reflecting thoughts"

Table 11. CEO C self-efficacy related quotations

5 ANALYSES AND KEY FINDINGS FOR DISCUSSION

Chapter 5 focuses on analyzing the interview data by using the conceptual model of motivation, competencies and self-efficacy in Figure 7. As seen in Figure 7, theory subsets of motivation, competencies and self-efficacy formulate the conceptual framework, which further influence behavior that leads to CEO work in this context. Analyses are done by combining all of the three interview data and further splitting them into three theoretical sets of motivation, competencies and self-efficacy. Each of the three analyses ends with the conclusions summarizing the essential findings per theory.

Although the purpose of study is to focus on CEO requirements in CEO position, some of the interview questions and answers cover the time before the interviewees became CEOs. Therefore findings from pre-CEO period are briefly covered in the results and analyses section of the research study.

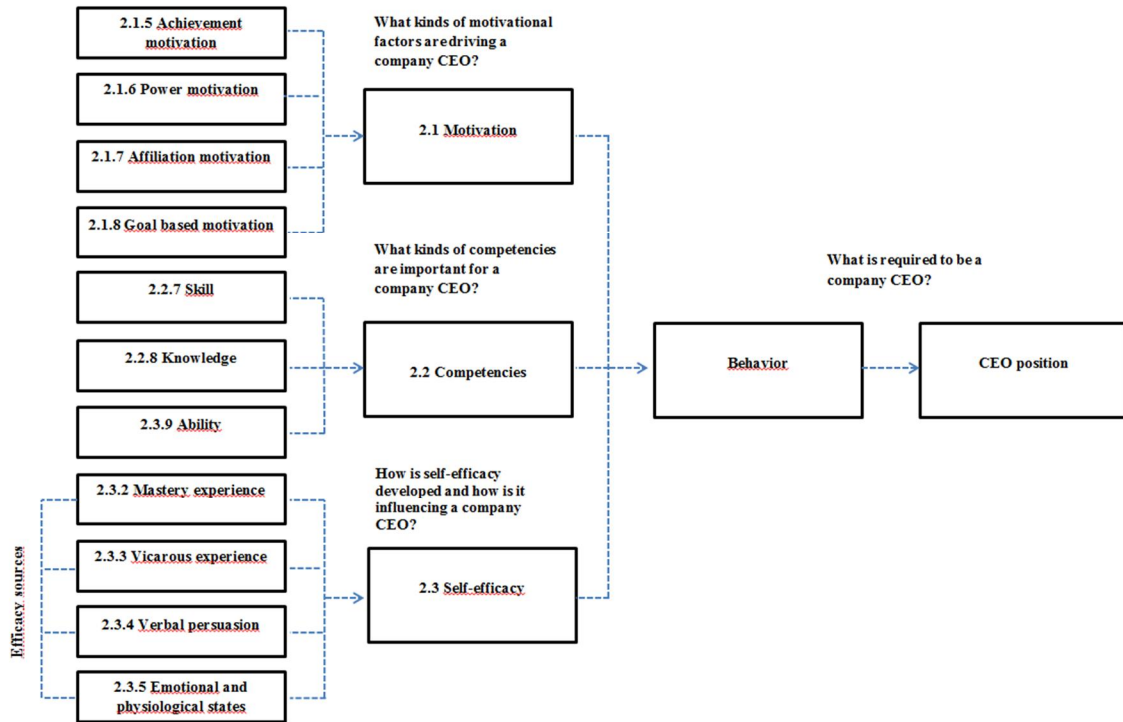


Figure 7. Conceptual model of motivation, competencies and self-efficacy with the research questions

5.1 Motivation

Motivation paragraph is divided in the research analyses into two main motivational themes: need motivations of achievement, power and affiliation and goal motivation. Furthermore, both of the motivational themes are jointly summarized in section 5.1.3.

5.1.1 Achievement, power and affiliation

All of the three CEOs had played competitive team sports in teen and young adult age. Competitive sports have loose connection to both achievement and power motivation. The theory suggests that achievement motivation originates from competitive situations associated with positive results. In competitive sports, competition between individuals

and teams is a natural part of sports. In addition, the theory suggests that power motivated men are more likely to participate in competitive sports indicating a loose connection with individuals' earlier sports careers and power need.

There were differences on what the CEOs considered important in CEO position. CEO A considers working with professional people and teamwork as one of the important elements in the position, which can be loosely interpreted as a presence of affiliation motive as one of the drivers. At begin of the career, CEO B was motivated by intrinsic motivator and clearly the need to achieve as doing itself was the reward. Later in the career, motivation for CEO B has changed more towards extrinsic motivation as financial reward has become more important, although the motivational driver might still be achievement motive as financial reward may be considered as a feedback for individuals that have high achievement need. CEO C argued in question 10/36 that proving to others that one has what it takes to succeed and perform is one of the driving factors once starting in new position, which indicates a presence of achievement need. CEO B noted that performing well for the sake of performing well has always been important for him, which refers to achievement motivation as "doing well" is the incentive among achievers. Moreover, CEO A stressed the importance of personal relationship inside the organization, indicating valuing and maintaining personal relationship and further as presence of affiliation need. CEO B found peer to peer network important, which may be interpreted as a need to engage with particular set of people that can further be interpreted as a sign of affiliation need. However, this interpretation is highly speculative.

CEO A and B both defined themselves as moderate risk takers, which in contrary refers to lower power need and indicates stronger presence of either achievement or affiliation need. All of the three CEOs named employer change as their biggest risk in work career. In addition, all of the three CEO had positive relationship with work and felt that they have not sacrificed their personal life for the sake of work. Positive relation to work indicates a presence of achievement motivation.

5.1.2 Goal motivation

None of the CEOs admitted to having set the CEO position as a personal career goal. The reasons behind accepting the CEO position varied from chasing success, ambition and proving that one can succeed in it, which indicates a presence of achievement need. It's worth noting that none of the CEOs had applied for the job.

All of the three CEOs had a rather common approach to the importance of financial results (question 12/36) and employee well-being as those too were named as the key performance indicators in CEO position. The strong emphasis on financial results is probably self-evident in a CEO position. There's obvious connection between goals and results. However, in organizational context, goals are externally dictated and do not automatically possess the same motivational influence as self-set goals. Therefore, commitment to organizational goals is often strengthened by external incentives. However, the strong emphasis on employee well-being may indicate a presence of social power need and a need to benefit others or that the relevance of employee well-being is linked to organizational goals and further to goal motivation as employees serve as mediators to reaching organizational goals.

For the most part, future plans and goals are seen from an organizational perspective. Developing, taking the businesses further and ensuring profitability are on every CEOs desk. This indicates that organizational goals are seen important and motivating. However, evaluating whether its' due to the external or internal incentives and rewards or both is not straightforward.

5.1.3 Summary of motivational findings

The theory suggests that all of the three need motivations of achievement, power and affiliation are present in every human being. The analyses seem to support this as traces of achievement, power and affiliation need were found from each of the CEOs. The

need to achieve was the most dominant motivation on a personal level. Interestingly all the three CEOs had played competitive sports, which according to the theory forms potential environment for the development of achievement need as it's a learned motivation or it may entail a presence of power need as the theory claims that men with higher power need are more likely to engage with competitive sports. The presence of achievement need was further supported by interviewees' rather unified view to risk taking and work. There were also some differences in the interview results in terms of power and affiliation need as CEO B was the only one found to lack the need to be accepted and liked by others indicating a lower affiliation need. In addition, CEO A was the only one mentioning the importance of personal relationships and team indicating perhaps stronger need for affiliation among this group. As a conclusion and in this context, it seems that at least moderate level of achievement need must be present to reach CEO position and further to excel in it.

All of the three CEOs viewed goals from organizational perspective and viewed them mostly as externally dictated. However, the strong emphasis on financial results and the connection between goals and results proposes that goals are seen as highly motivating. However, it wasn't very clear whether this was due to extrinsic or intrinsic incentives or both. CEO B did mention that financial incentives and rewards have gained importance compared to beginning of the career.

5.2 Competencies

Each of the three CEOs had a bit different views on knowledge. CEO A was a strong believer of experiential knowledge gained through work experience due to its practicality. However, CEO A also acknowledged importance of theoretical knowledge. CEO A regarded company mergers and co-determination negotiations, which taught the essence of confronting unpleasant events and communicating them directly and openly as one of the learning experiences during his career. CEO B regarded company merger and establishment of a new country organization as one of the best learning experiences and potential sources of experiential knowledge. In addition, CEO B felt that theoretical educa-

tion has been a great source of knowledge helping to learn useful skills such as understanding of law, accounting, languages and communication, which have proved to be useful in the CEO position.

CEO C regarded experiential knowledge also very important and identified that it has taught patience and ability to view and assess situations from several angles. As well as CEO A, CEO C regarded theoretical education important source of knowledge.

Although some minor differences in wording and describing things, the question to nominate three competencies resulted surprisingly similar answers. All of the three CEOs had relatively unified approach to describe essential competencies and found analytical and conceptual thinking critical for a CEO. The theory classifies these as personal attribute competencies. In addition, all of the three CEOs regarded interpersonal skills highly important for CEO resulting that teamwork building, motivation and empowering of others were commonly mentioned as one of the most important competencies for CEO. The theory classifies these as managerial and relationship competencies. In addition, CEO B named self-knowledge and CEO C decision making as important competencies for a CEO. The theory classifies both of these competencies as personal attribute competencies.

Further related to personal competencies and leadership principles, CEO A named communication clarity and trustworthiness as his leadership cornerstones, which can be interpreted referring to integrity and truth and attention to communicate competencies. CEO B referred to values as his leadership principles, whereas CEO C mentioned valuing and respecting employees as main leadership principles.

Personal character questions touched on the subject of competencies again and resulted understandably similarities in answers with the two previous questions that dealt with ranking competencies and leadership principles. The importance of interpersonal skills was highlighted in terms of relationship building, motivation of others and cross cultural sensitivity competencies. Resilience, ambitious and result oriented were mentioned as adjectives describing ideal CEO characteristics.

Values were seen as the backbone of organization and leadership by all the three CEOs. CEO B and C both felt that the true meaning of values is measured in conflicts and crisis. The single most repeated value was honesty among the CEOs.

Quality decision making question dealt with a specific competency of decision making. Decision making was also named by CEO C as one of the key competencies for a CEO. Each of the CEOs emphasized the importance of seeing the big picture or in their words having “a holistic view” over situation and further analyzing and understanding the surrounding environment as the main contributors to the quality decision making.

It must be noted that many interview follow-up questions and answers were overlapping resulting that the subject of competency was touched on outside of the competency section in the interview guide. For instance, in question 12/36 each of the CEOs named financial results as the most important elements in CEO’s work, which can be interpreted to require result orientation and managing performance competencies.

5.2.1 Summary of competency findings

The similarities between CEOs views on competencies can be considered even somewhat surprising as all of the three CEOs named personal attribute competencies of analytical and conceptual thinking as essential competencies for CEO. Words “seeing the big picture” and “holistic view” were repeatedly mentioned in all of the interviews and can be interpreted to referring to complex problem solving competencies of analytical and conceptual thinking. The other common nominator among interviewees was requirement of interpersonal skills and further competencies related to teamwork building, motivating and empowering of others. This is probably due to the fact that firstly, cases that end up on a CEO’s desk are complex in nature and require previously mentioned competencies and secondly, a CEO’s work is working through others requiring interpersonal people’s management competencies. Financial responsibility is one of the main CEO responsibilities and this is also evident in the interview results considering how much weight CEOs put on importance of financial results. Therefore result orientation

and managing performance can be interpreted as essential competencies for a CEO, although those competencies were not specifically named or mentioned during the interviews. However, CEO B mentioned that a CEO must know the financial numbers and referred to accounting as an essential skill in CEO's daily work.

Most if not all of the CEOs felt that leadership style has changed from authoritarian leadership style to more conversational leadership style emphasizing on relationship and managerial competencies of motivating, empowering people and working in and building teams.

It must be noted that the interviews covered CEO competency requirements on general level and the relevance and importance of competencies may differ situationally. This means that different competencies may be in higher demand in different context and under different circumstances. For instance CEO C mentioned organizational crisis and change management and the importance of communication competency under company crisis.

5.3 Self-efficacy sources

Self-efficacy paragraph analyzes self-efficacy concept through efficacy sources of mastery experience, vicarious experience, verbal persuasion and emotional state. Furthermore, self-efficacy findings are summarized in section 5.3.4.

5.3.1 Mastery experience

CEO A felt that competitive sports has taught him more than the theoretical education in terms of goal-setting and has taught a lot about winning and losing and processing them. Although not naming a single event from sports, sports related experiences can be considered as a potential mastery experience source for CEO A due to its influence later in life in the CEO position.

CEO B was captain of sports team and that experience helped to identify helpful leadership qualities at younger age. Moreover, CEO B identified similarities in sports team captain and a company CEO personal character requirement. Sports in general and being captain of the team can be considered as a potential mastery experience sources for CEO B and influencing positively on self-efficacy. CEO C had attended to personality evaluation tests earlier in his career and had received positive feedback on his leadership qualities. This can be regarded as a potential mastery experience source and influencing positively on self-efficacy and later choices in career.

Each CEO had experienced memorable success events during their CEO career, which can be interpreted as potential mastery experience sources. Although taking place before the CEO position, CEO A had enjoyed success earlier in his career by establishing a new company department from scratch. That department became a market leader in its specific business segment in two years after its initial startup. This event was regarded as highly positive experience and can be regarded as a potential master experience for CEO A that has further increased self-efficacy. In addition, later in the CEO position, CEO A enjoyed a great business success as the company regional CEO at a time when the business was yielding top financial results among the company internal rankings. This can be considered as potential mastery experience and increasing self-efficacy. Moreover, the latter experience as regional CEO for CEO A can be interpreted as a potential vicarious experience as comparing different regional financial results provided instant feedback on how one is succeeding in the job compared to the other regional CEOs.

CEO B considered a company buy-out as the most successful experience during the CEO career. Success in the buy-out and the following merger can be considered as potential mastery experiences and further increasing self-efficacy. CEO B and C considered a co-operation negotiation as one of the success experiences during their CEO career. Success in this context meant that organizations carried on with good motivation after the painful negotiations and that contract terminations were administered according to the company values. Although negative experience at first, both CEO B and CEO C felt that co-operation negotiations turned out to be positive experiences due to the way they were conducted and could therefore be considered as potential mastery experiences for increasing self-efficacy beliefs.

5.3.2 Vicarious experience and verbal persuasion

Changing an employer and changing a business segment were named as the most risk taking efforts by all of the CEOs. Although none of the CEOs named an employer change as their most memorable and successful career experience, receiving a new job can increase self-efficacy in two ways. Firstly it gives a positive feedback that a person has what it takes to qualify for the job and acts as a mastery experience. Secondly and especially if there's a competition between applicants, it increases a sense of success through social modeling (vicarious experience) as one can be considered more capable than other applicants. CEO A and C both had several different job positions during their career and CEO C had operated in the CEO position in four different companies.

All of the three CEOs had recognized influential directors during their career that can be considered loosely as role models. Having a role model may act as indirect vicarious experiences as they provide a comparison object and help to reflect one's capabilities and performance to people in similar situations. CEO B felt that at the end of the day, even the highest ranking people are average Joes, indicating a social comparison between people. CEO C experienced CEO peer to peer network as an important channel for reflecting ideas and getting a second opinion. Although not probably used intentionally for this purpose, a peer to peer network may serve as a great platform for increasing self-efficacy through benchmarking performance among reference group of similar status (vicarious experience) and as a verbal encouragement by other network members (verbal persuasion). CEO C had experienced a great example of verbal encouragement (verbal persuasion) during the pre-CEO period as the company CEO told to wait for five years to be in his position indicating that CEO C has all the right attributes for the CEO position. Moreover, experiences that happen in a group such as playing team sports can serve as an indirect vicarious experience proving a chance to compare one's capabilities in relation to other team members.

5.3.3 Emotional and physiological states

Although psychological and affective states were not covered in great lengths in the interview questions, each CEO recognized the importance of stress management and experienced possessing a good stress tolerance. CEO B argued that it's a part of the effective leadership to be able to control one's emotions and didn't remember ever yelling at subordinates. This indicates strong awareness of importance of emotional control. In addition, both CEO C and CEO A mentioned that for a CEO, it's especially important to act and behave according to the position indicating an awareness of importance of emotional control for a CEO.

5.3.4 Summary of self-efficacy findings

Each of the CEOs brought out positive experiences before and during their CEO career, which can be interpreted as potential sources of self-efficacy. CEO C had received a positive feedback on his leadership qualities and later in the career encouragement from his supervisor on his capabilities, which can be interpreted as having a positive influence on self-efficacy and later events in his career. In the CEO position, they all had positive experiences in terms of company mergers and company crisis that had turned out to be success stories and influencing positively to self-efficacy.

CEOs personal characters and self-descriptions also reflect high efficacy beliefs. Ambitious, resilience, being in control, drive to take business further and experience success all can be interpreted as a signs of high self-efficacy beliefs. In addition, all of the three CEOs considered a rather high tolerance to stress, which indicates high self-efficacy and emotional control.

6 CONCLUSIONS

Chapter 6 is focusing on analyzing the combined influence of separate analysis of motivation, competencies and self-efficacy to be able to answer to the main research question of “What is required to be a company CEO?”. Moreover, chapter six is focusing on “Behavior” and “CEO position” part of the model in Figure 7. It must be noted that behavior as a theoretical concept is not defined in this study. However, connecting links between theoretical concepts of motivation and self-efficacy to behavior are well described in the theory section of the study respectively.

In the research context, it seems that the need to achieve has been important motivator on personal level for the three CEOs especially before becoming a CEO. Each of the three CEOs mentioned that the need to perform, succeed and prove to others have always been one of the drivers for them at the beginning of starting in a new position. It's tempting to argue that that the achievement need originate from competitive sports that all of the three CEO had played, but this connection is not scientifically proved nor is it the aim of the research. However, it can be concluded that the past experiences especially at younger age can influence later experiences and choices in the career. Both CEO A and B found that sports careers in the youth had positively influenced them later in the work careers. Past performance and achievements were seen as the most single influencing factor as becoming a company CEO and it can be interpreted that need to achieve has been as one of the motivational drivers for CEOs in the beginning of their careers.

On a personal level, the presence of achievement type personality was seen on each of the CEO's behavior. The CEOs perceptions to risk tolerance and attitudes towards work both indicate behavior that reflects presence of achievement need and achievement type personality. CEO B provided the clearest evidence on this by arguing and referring to the test done during the military service, wherein performing well for the sake of doing the test was important even if it resulted somewhat unpleasant consequences. In addition, CEO A argued that performing well is always a driver for him indicating presence of achievement need. Surprisingly, the need for power was the lowest witnessed motiva-

tional driver on a personal level among the sample CEOs. CEO B argued that the need to be liked by others has never been important, indicating a presence of power need, but otherwise the presence of neither personal nor social power was evident in the research. However, this may be due to the limited time and number of questions and it's therefore suggested that further research is needed to further investigate need motivations more in-depth.

Not surprisingly, all of the CEOs stressed the importance of financial performance in CEO position. People who have high achievement need may regard financial performance as an achievement feedback. In this respect, it may be very beneficial for a CEO to possess moderate to high achievement need as financial result may interact as intrinsic motivation on personal level in CEO position.

Executing company strategies to achieve organizational goals is one of the main responsibilities of CEO and it's safe to say that organizational goals are extremely important for a CEO. All of the three CEOs viewed goals from organizational perspective and viewed them mostly as externally dictated. Taking into account the strong emphasis CEOs put on financial results and the connection between goals and results indicates that goals are seen as highly motivating. However, it wasn't clear whether goals motivated extrinsically or intrinsically or both. As a conclusion, it can be argued that a CEO needs to be motivated by goals intrinsically at large extent as extrinsic incentives and rewards seldom provide sources for long term motivation and commitment.

Competencies were covered in many questions and answers during the interviews. It can be argued that naming a few competencies as the most important competencies for a CEO is difficult as their relevance can be considered changing situationally. However, personal attribute competencies of analytical and conceptual thinking and interpersonal skills and further competencies related to teamwork building, motivating and empowering of others, were congruently recognized by all of the three CEOs and identified as important for a CEO. In addition, it can be interpreted that due to the importance of financial results, result orientation and managing performance can be viewed as essential competencies for a CEO. Further, it can be argued that this is probably due to the fact that firstly, cases that end up on a CEO's desk are complex in nature and require compe-

tencies to manage abstract and complex problems and secondly, CEO's work is working through others requiring interpersonal people management competencies.

It also became evident that in larger organizations, one of the business units may yield good profit while simultaneously the other company business unit may be losing money or and even in crisis. This type of situation requires change management and decision making essential competencies for a CEO and further supports the claim that CEO's competency requirements may change situationally. In addition, it became evident that values are important for a CEO and they serve as guidance in difficult and unpleasant decisions, which are also part of CEO's work.

It can be argued that a CEO needs to have a high self-confident and high self-control, which are in this context referred as theoretical concept of high self-efficacy. Respondents' personal characters and self-descriptions reflect high efficacy beliefs as ambitious, resilience, being in control, drive to take business further and experience success can all be interpreted as indicating high self-efficacy. It can also be argued and supported by the study that CEO's work involves working under high stress for instance in company mergers. Good stress tolerance and further emotional control are signs of high self-efficacy and considered essential for a CEO.

This research found evidences of potential self-efficacy sources that can be interpreted to be influencing to CEOs' efficacy beliefs, although it would require more profound research to fully understand the causal connection between efficacy sources and the development of the CEOs' self-efficacy beliefs. However and supported by the research findings, it's easy to argue that a person would not have made it to the CEO position and be able to work as a CEO without a high self-efficacy.

For further research purposes and to supplement this study, it's recommended to conduct a quantitative research to increase respondent sample size and to provide more reliable data for instance in the area of competencies. Quantitative research could include an option for respondents to rate the relevancy of competencies under different circumstances. In addition, it would be beneficial to develop a scoring system for measuring self-efficacy and to further assess its relevancy in a CEO position more scientifically.

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8 APPENDIX 1. INTERVIEW QUESTIONS

1. Millä toimialalla yritys toimii ja onko kyseessä myynti ja / tai valmistava yritys?
What is the company industry segment and is a trading and / or manufacturing company?
2. Millä markkinoilla yritys toimii?
What is the company geographical business segment?
3. Mikä on yrityksen yhtiömuoto ja omistuspohja?
What is the company business structure and ownership?
4. Kuinka suuri yritys on mitattuna liikevaihdolla ja henkilömäärällä?
How large is the company in terms of revenue and employees?
5. Kuinka monta vuotta olet toiminut toimitusjohtajan tehtävissä?
How many years have you been working as a company CEO?
6. Kuinka monen eri työnantajan palveluksessa olet toiminut toimitusjohtajan tehtävissä?
How many employers have you been working for as a CEO?
7. Oletko toiminut muissa tehtävissä työurallasi kuin toimitusjohtajana?
Have you been working in other job positions than CEO?
8. Kuinka monta suoraa alaista sinulla on?
How many direct subordinates you have?
9. Minkälainen pohjakoulutus sinulla on?
What is your educational background?
10. Mikä on saanut hakeutumaan tähän tehtävään?
What kinds of factors have been influencing to ending up in this position?
11. Mikä tässä tehtävässä on sinulle erityisen tärkeätä?
What is especially important to you in this position?
12. Mistä toimitusjohtaja tietää, että on tehnyt hyvää työtä?
How does a CEO know that he / she has performed well?
13. Mikä on mielestäsi suurin riski minkä olet ottanut työelämässä? Mitkä asiat vaikuttivat riskin ottoon?
What has been your biggest risk taking experience in your career?
What kind of factors contributed for it?

14. Miten määrittelet menestyksen työssä tai työuralla?
How do you define work and career success?
15. Minkälaisia asioita haluisit saavuttaa vielä työurallasi?
What would you like to achieve in your work career?
16. Mitkä asiat koet palkitsevina tässä työssä?
What do you find rewarding in your position?
17. Minkälaisista asioista sinusta koostuu hyvä työkuulttuuri?
What does a good work culture consists of?
18. Miten henkilökohtaisen ja työelämän yhdistäminen on toteutunut toimitusjohtajana?
How have you managed to combine work and personal life as a CEO?
19. Mitä kokemus on merkinnyt sinulle työuralla? Minkä tyyppiset kokemukset ovat olleet sinulle kaikista arvokkaimpia?
In your work career, what has knowledge meant to you? What kinds of experiences have been the most valuable to you in terms of knowledge?
20. Mitkä kolme pätevyyttä on sinusta oleellisimpia tehtävässä hyvin suoriutumisen kannalta? Mistä tiedät, että juuri nämä ovat oleellisia?
What have been the three most influential competencies to you in order to perform well in CEO position? How do you know that these three have been the most influential?
21. Minkälaiset periaatteet kuuluvat sinusta hyvään johtajuuteen?
What kinds of leadership principles are essential for a good leader?
22. Mitkä pätevyydet johtamisessa ovat mielestäsi tärkeimpiä organisaation tavoitteiden sekä menestyksen varmistamiseksi? Onko sinulla kokemusta tilanteesta, että tavoitteiden hyväksyntä on kohdannut vastusta organisaatiossa?
What kinds of leadership competencies are the most important in order to ensure that organizational goals are meet? Have you experienced organizational resistance in acceptance of goals?
23. Mitkä kolme luotteenpiirrettä on sinusta tärkeätä olla toimitusjohtajalla?
What three personal characters are essential for a CEO?
24. Millainen ihminen ei pärjäisi tässä tehtävässä?
25. What kind of person would have hard time in succeeding in CEO position?
26. Mikä on suurin organisatorinen muutos jonka olet vienyt läpi työurallasi?

- What has been the biggest organizational change that you have executed?
27. Miten arvot merkitsevät sinulle?
What do values mean to you?
28. Millaiseksi uskot alaisesi kuvailevan sinua?
How do think that your subordinates would describe you?
29. Mitä palaute ja kannustus merkitsevät sinulle?
What does feedback and encouragement mean to you?
30. Mihin asioihin kiinnität huomiota kun annat palautetta?
What do you stress when you give feedback to others?
31. Minkälaiset projektit tai työtilanteet aiheuttavat eniten paineita tässä tehtävässä?
What kinds of projects or circumstances may cause stress in CEO position?
32. Oletko tietoisesti kehittänyt jotakin erityistä taitoa tässä työssä menestymistä varten?
Have you knowingly developed a certain skill in order to perform well in this position?
33. Mitä vaaditaan hyvään päätöksentekoon? Onko sinulla esimerkkiä tilanteesta ja asioista jotka vaikuttivat päätöksentekoon?
What is required for quality decision making? Do you have a real life example of factors that contributed to the decision making?
34. Mitkä ovat olleet mielestäsi suurimmat onnistumiset työurallasi? Mitkä asiat ovat mielestäsi vaikuttaneet eniten onnistumisiin?
What do you think have been your biggest successes in your work career? What do you think have been the contributing factors?
35. Mikä on suurin vastoinkäyminen, jonka olet kokenut työuralla? Miten käsittelit sen?
What do you think has been your biggest setback in your work career?
How did you process that?
36. Onko sinulla ollut roolimalleja työelämässä? Millä tavalla he ovat vaikuttaneet sinuun?
Have you had role models in your work career? How have they influenced you?