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## **Importance of Internal and External Factors for Forest Contractors in Norway - The Manager's View**

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The aim of this study was to gain an in-depth understanding of how successful forest contractors manage their businesses. We aimed to identify and learn from the CEOs in the areas of value-added creation, financial solidity, cash liquidity, and degree of awareness of issues governing the forestry industry in general. A triangulation method was used in the data collection phase, including primary data from personal interviews with 15 CEO's in forest contracting firms, representing the Southern, Eastern, and Central parts of Norway. Furthermore, a literature review was conducted and secondary data was collected. A semi-structured interview protocol was conducted based on our research questions, previous data/findings and theory. The protocol was designed for an interview length of approximately one/two hour(s). All interviews were conducted in-person and were audio-recorded.

The results showed that linking choice of technology to local conditions like seasonal fluctuations, climate stability, steep terrain etc., seem to be important. Just as important is the chosen method of financing investments in new equipment. We saw some risks around the tendency to lease machines such as tax-based depreciation and price differentiation between new and used machines. Dealing with risk, generating and controlling budgets, and expectations and calculation of profit margins varied between interviewees. In general it can be stated that firms that are willing to adapt to new market trends and new technology and will be better off in the future, but in this study we seek to identify the factors that can catalyze the dynamic of adaptation to the future within these firms.