Spring 2020

Kimberly B. Boal, Professor of Management

Class Hours: Sec 094 11-11:50 MWF 52134 (0)

 Sec 095 12-12:50 MWF 26339 (0)

 MW 10-10:45, 1-2 & by appointment

Class: Room TBA

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 Text: Robert Grant and Judith Jordan, Foundations of Strategy, 2015. (FS)

 W. Chan Kim and Renee Mauborgne, Blue Ocean Strategy, Extended

 Edition 2015. (BOS)

 TopHat

Teaching Assistant: Ge Shuchung (806) 470-4468, RM 359A

**Purpose of Course**

Management 4380 is first and foremost a course about "strategy," and about "managing for success." While there are no formulas for “riches” you can influence your chances by the decisions you make. Keep in mind, it is up to you to decide what do you want to become? What do you want to achieve? And, how will you get there? The same is true for a company.

The fundamental question we seek to understand is why some firms succeed and others fail. To do so requires that we first understand the range of businesses and the industries in which a firm chooses to compete, i.e., its **corporate strategy**; This requires we do a thorough **Industry Analysis** to understand who it competes against, in what market segments, what are the characteristics of the market and its customers, what changes might they anticipate, figuring out what new potential markets lie untapped and for which they are aligned with these potential markets.

Next, that we understand how the firm attempts to compete, i.e., that is how it intends to win the hearts, minds, and business of its current, future, or potential customers. This requires we examine its **Competitive or Business Level** **Strategies** it develops to achieve a Sustainable Competitive Advantage. For example is it by achieving cost advantages, or offering the lowest prices. This suggest the company focus on how to become more efficient. Or is it by offering goods that contain features that its competitors do not? By offering goods that are more reliable, dependable, or convenient to purchase? This suggest they need differentiate themselves in the market. Or by a combination of the above? Or offering something entirely new to the market?

Finally, how it marshals, coordinates, and controls it resources to achieve a sustainable competitive advantage, its **functional level strategies**. For example, it Marketing, Financial, or HRM strategies, and how to implement them.

In studying the tasks of managing strategy we shall also tackle another important function: that of trying to integrate much of the knowledge you have gained in the core business curriculum. This is a "big picture" course, a trait that makes it different from other courses. The problems and issues of strategy formulation and implementation cover the whole spectrum of business and management. Many variables and situational factors must be dealt with simultaneously. Weighing the pros and cons of strategy entails a top management perspective of the total

to weigh things from the perspective of the total enterprise operating in an increasingly global market environment. Accomplishing this objective means giving you an appreciation for the importance of building a sustainable competitive advantage. It means systematically exposing you to the rigors of industry and competitive analysis, to the ingredients of an attractive strategic plan, and to the varied administrative tasks associated with implementing and executing the chosen strategy as well as circumstances permit. And it means instilling a strong sense of ethical principles and values into the process and tasks of managing. Thus, managers need to have a working knowledge and understanding of Finance, Accounting, Marketing, ISQS, Management and HRM principles, measures, and responses. In addition, because managerial decisions and actions influence not only the corporation, but employees, customers, and even society, managers must develop a strong sense of ethical principles to guide their actions that they can defend when called upon.

As you can see, these are very complex problems that no one person can handle themselves. While there may be a person with ultimate decision making authority, decisions about the direction of the firm, the strategies for achieving them, questions/issues about how to achieve them require inputs from many people. It requires a **Team**. People with diverse backgrounds and abilities working together on a common purpose. Good teams learn to listen to each other before speaking, do not assume that they have all the required knowledge, and foster open communications between members, judging what they say and not who they are.

I sincerely hope this course will be of very great help and will be instrumental in making

**You**: 1) competitively superior; 2) successful in your career; and 3) much wiser about secrets of first-rate manager.  **Remember, From Here It Is Possible.** But, you must put in the effort.

 **Learning Outcomes**

 **Analyze, describe, and understand the external and internal environments of the firm. Produce a strategic analysis of the company and its industry.**

**Describe and develop corporate, and business levels strategies in the organization.**

**Present strategic recommendations in a business environment**

**Identify the various stakeholders of the company and understand ethical dilemmas faced by managers.**

**Understand and describe how organizations can align the various activities within the firm to achieve their goals.**

**Strategic Management (Mgmt 4380)** has been designated to be included in the RCOBA Communication Literacy Plan. As such, students graduating with a Bachelor of Business Administration should be able to: Demonstrate professional written and oral communication capabilities to diverse audiences in variable situations. At the end of this course I am required to rate each student on the following:

* Effectively participate in and deliver formal and informal oral communication in multiple context as both presenter and listener.
* Exhibit the critical thinking competencies necessary to synthesize and communicate concepts, processes, and informational data related to organizational goals.
* Effectively put your thoughts in writing.

**Student Responsibilities Overview:**

* Daily Reading Assignment.
* Preparing and Leading the class discussion of THREE Chapters with your TEAM.
* Participating in class discussions.
* Working effectively with TEAM members on preparing and presenting TWO separate papers. The first on your company’s industry analysis. The second you’re your company’s competitive analysis.
* Final Essay Exam. One question.

**Preparation of Written/Oral Work:**

**How do you really know something unless you can explain it to someone else?**

Since this is a capstone course, it is important that students have the ability to both present ideas and lead a group discussion on those ideas. The ability to speak well and present well is crucial to your career success. Therefore, student teams will be responsible for leading as class discussion over their assigned chapter. Each team is responsible for a maximum of 30 minutes to present their chapter and lead a discussion.

The discussion should **summarize** important points and take away lessons for the class, usually 3 - 5, max. **Don’t** simply regurgitate the chapter to the class. They can read it for themselves. **Focus** on the most important things they need to learn from your discussion. **Emphasize** what is important for them to know and why**. Link** the readings to any other relevant readings or materials in the texts that have been previously covered. Feel free to use any outside material to better explain or illustrate your group’s material (news articles, film clips, etc.). Feel free to **ask** the class questions during your discussion. Discussions should not only link the presentation to other readings, but will use current events to Please review OP 34.22. happening in their own industry and/or company to illustrate points in the chapter. Finally the discussion should use real examples drawn from their industry or competitive analysis to illustrate to the class how to effectively use the material discussed in the texts. Most of top management activities are done through oral communication, thus the ability to lead a focused discussion is crucial to your career success. **Each team should be prepared to answer the classes and/or instructors questions, for example what kind of data do we need to collect, how and why.**

Critical issues which you want to lead the class in discussion must be loaded into TopHat at least one day before your discussion.

Each class member should develop a specific question they wished answered that will help them understand a specific concept and how to measure or apply it. Class members should do this on TopHat the night before the class discussion.

**Civility in the Classroom:**

 “Students are expected to assist in maintaining a classroom environment which is conductive to learning. In order to assure that all students have an opportunity to gain from their time spent in class, unless otherwise approved by the instructor, students are prohibited from using cellular phones or beepers, eating or drinking in class, making offensive remarks, reading newspapers, sleeping or engaging in any other form of distraction. Posing or answering questions on Top Hat is OK. Inappropriate behavior in the classroom shall result in, minimally, a request to leave the class.”

**Integrity:**

Academic dishonesty will not be tolerated. All students are required to adhere to the Texas Tech University *Policy on Academic Honesty*.

**ADA Requirements:**

Any student who, because of a disability, may require special arrangements in order to meet the course requirements should contact the instructor as soon as possible. Classroom accommodations will be made for students with disabilities, if requested. Please review OP 34.22.

**Religious Holidays:**

A student who intends to observe a religious Holy Day should make that intention known to the instructor prior to absence. A student who is absent from class for the observance of a religious Holy Day shall be allowed to take any examination or complete any assignment within a reasonable time after the absence. See OP 34.19.

**TTU RESOURCES FOR DISCRIMINATION, HARASSMENT, AND SEXUAL VIOLENCE**

Texas Tech University is committed to providing and strengthening an educational, working, and living environment where students, faculty, staff, and visitors are free from gender and/or sex discrimination of any kind. Sexual assault, discrimination, harassment, and other Title IX violations are not tolerated by the University. Report any incidents to the Office for Student Rights & Resolution, (806)-742-SAFE (7233) or file a report online at <https://titleix.ttu.edu/students>. Faculty and staff members at TTU are committed to connecting you to resources on campus. Some of these available resources are: TTU Student Counseling Center, 806-742-3674, <https://www.depts.ttu.edu/scc/> (provides confidential support on campus); TTU Student Counseling Center 24-hour Helpline, 806-742-5555 (assists students who are experiencing a mental health or interpersonal violence crisis – if you call the helpline, you will speak with a mental health counselor); Voice of Hope Lubbock Rape Crisis Center, 806-763-7273, <https://voiceofhopelubbock.org> (24-hour hotline that provides support for survivors of sexual violence); The Risk, Intervention, Safety and Education (RISE) Office, 806-742-2110, <https://rise.ttu.edu> (provides a range of resources and support options focused on prevention education and student wellness); or Texas Tech Police Department, 806-742-3931, <http://www.depts.ttu.edu/ttpd/> (to report criminal activity that occurs on or near Texas Tech campus).

**Written Work:**

All written work, except tests, is to be typed (double-spaced) or done on computer printers and to follow correct form, spelling, grammar etc. Students should provide written synopsis of articles as well as power points. These should be submitted to the instructor ahead of time who will put them on his website. However, each team should provide a copy of power points so that the class can follow their discussion and make notes.

Papers which, in the opinion of the instructor, employ disproportionately poor grammar and are poorly structured and written, will be assigned a grade that is one-letter lower than would otherwise be assigned based solely on content. Also, students who read their power points throughout their presentation will be marked down. **Don’t Read**. You need to learn to talk about the material on your power points, not read them if you are to be successful in your career.

**Daily Group Assignments:**

 Students will be divided into teams. Each team is given a total of 3 chapters from the two books which they are responsible for presenting and leading the class in discussion. The best discussions relate the material to current events in the business press, and/or particularly their industry or company analysis. All groups should include three to five class takeaways, the most important points to remember, from their discussion. Each group is to email any power points or other documents/film clips etc. to the TA one day before it is due to place on my website. To help you, I have posted some old power points on my website. Please use them only as a guide. They contain TMI.

**Written Assignments:**

In addition, each group shall write two papers. The first paper is on Industry Analysis. There is not page limit but I expect a minimum of 30 pages total, to be divided however each team determines. Based on past papers, I expect you will have no difficulty writing 50-70 pages. To guide you, the questions you should address and charts to guide your work are found at the end of the syllabus.

The second paper is a competitive strategy analysis. Again, this paper is a minimum of 30 pages but should be in the range of 50-70 pages. This may seem a lot, but if you look at the range of issues/questions to be addressed in each paper, you will see it may turn out to be too restrictive. Questions to be addressed and charts to guide your discussion can be found at the end of the syllabus.

The papers should not only describe the company’s industry or competitive strategies, but analyze and evaluate how well they are working. And suggest what actions they need to take in the future.

**Team Membership:**

Learning to become a good team player is essential in your career. Many companies are increasingly structuring their work place around teams. In fact, it is common place for many organizations to structure the work around teams. Thus, you will be allowed to choose your own team members. In choosing your team members you should look at insuring your team has the requisite variety of skills needed to complete the assignments. Thus, look for team members who know Accounting, Finance, Marketing, Management, ISQS, HRM, etc, as well as team members who are hardworking, punctual, and easy to get along with. If any problems arise within your chosen team that you are not able to resolve on your own, please see me and I will try to help.

To help you pick your teams, students will be introduced in class. Students choose their teams, or if the class desirers, the instructor will. However, each they will be required to discuss and reach consensus about when, where, and how often they will meet. At that first meeting, the team shall write a **Psychological Contract** with each other laying out expectations and roles of the team, which must be types and signed by all members and turned into me. The Psychological Contract should also specify what happens if a team member fails the team in fulfilling their responsibilities. At the end of the semester each class member will be asked to evaluate their team member’s fulfillment of the psychological contract and their contribution to the team’s performance.

**Grading:**

* Daily Group Assignments from Texts, plus the Psychological Contract, peer evaluation, and Class Participation: 1/4 of final grade
* 1 Team Industry: 1/4 of final grade
* 1 Team Competitive Paper: 1/4 of final grade
* Comprehensive Essay Exam: 1/4 of final grade

 **Class Attendance:**

Attendance at all class sessions is **required**. Each student is expected to be an active participant and to make meaningful comments. You should, therefore, make a conscientious effort to attend class and be sufficiently prepared to contribute to class discussion. This means, you are expected to read all the material, not just your groups presentation. Understandably, there are circumstances (job interviews, family matters, illness etc.) which may cause you to miss class. These will not be counted against you, but you must inform the instructor ahead of time, for example, job interviews. If you get sick the day of class, you are required to present proof such as a doctor’s note. Each student is allowed one unexcused absence.

**Business Knowledge Assessment for Assurance Learning:**

In this senior-level course, you will be given a multiple-choice business knowledge assessment that measures what you have learned about model, concepts, and theories of business across your B.B.A. A program here at the Rawls College of Business. As an Incentive, you will have the opportunity to raise one of your oral grades from your oral presentations by one grade by ½. This means that an A- becomes an A, a B+ become an A-, a B become a B+, a C+ becomes a B-, etc. All that is required for you to get this grade **boost** is for you to answer at least 50% of the questions correctly. You do not need to study to do will in this assessment, so just read the questions carefully and pay attention to your answers.

You will either be given this survey during class on a date to be determined by your instructor, or you will need to take this survey at the Rawls Testing Center.

**Class Schedule**

January 15 Class Organization/Intro. Handout syllabus.

January 17 Intro & Group Assignments. Fill out class cards. Pick teams.

Each team is to turn in the names of each team member, with email addresses and phone numbers, and a copy of the Team’s Psychological Contract.

January 20 MLK Day –School Holiday

January 22 Industry and Competitive Situation Analysis

Each Team Must Turn in the Name of the Industry and the Name of the Company they have Chosen to Analyze.

Also each team must obtain the NAICS (North American Industry Classification System) number for its company. This will allow you to look up who its major competitors are in its dominate market segment. Hoover’s data base is very helpful in providing basic data on your company and industry.

January 24 Financial Ratio Analysis –Each Team is to have their Financial Statements from the last 5 years for their company with them in class, and the last 5 years of the letters to the Shareholders from the Annual Reports. Write a summary of what you learned from them.

 January 27 Reading Assignment from **Blue Ocean Strategy Chapter 1** Due, Creating Blue Oceans: Dr. Boal Leads Discussion

January 29 Reading Assignment from **Foundations of Strategy Chapter 1**: The concept of strategy - Team 1 Presents and Leads Discussion Presents and Leads Discussion

 January 31 Reading Assignment from **Foundations of Strategy Chapter 2**: Industry Analysis - Team 2 Presents and Leads from Discussion

February 3 Reading Assignment from **Foundations of Strategy Chapter 3**: Resources and Capabilities - Team 3 Presents and Leads from Discussion

February 5 Reading Assignment from **Foundations of Strategy Chapter 4**: The nature and sources of competitive advantage -Team 4 Presents and Leads from Discussion

February 7 Reading Assignment from **Foundations of Strategy Chapter 7**: Corporate Strategy - Team 5 Presents and Leads from Discussion

February 10 Reading Assignment from **Foundations of Strategy Chapter 5**: Industry Evolution and Strategic Change - Team 6 Presents and Leads from Discussion

February 12 Reading Assignment from **Foundations of Strategy Chapter 6**: Technology-based industries and the management of innovation - Team 1 Presents and Leads from Discussion

February 14 Reading Assignment from **Foundations of Strategy Chapter 8**: Global strategies and the multinational corporation - Team 2 Presents and Leads from Discussion

February 17 Paper preparation day

February 19- Industry Analysis Paper presentations

March 2

March 4 Reading Assignment from **Blue Ocean Strategy Chapter 2**: Analytical tools and frameworks - Team 3 Presents and Leads from Discussion

March 6 Reading Assignment from **Blue Ocean Strategy Chapter 3**: Reconstruct market boundaries - Team 4 Presents and Leads from Discussion

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March 9 Reading Assignment from **Blue Ocean Strategy Chapter 4**: Focus on the big picture, not the numbers - Team 5 Presents and Leads from Discussion

March 11 Reading Assignment from **Blue Ocean Strategy Chapter 5**: Reach Beyond Existing Demand - Team 6 Presents and Leads from Discussion

March 13 Reading Assignment from **Blue Ocean Strategy Chapter 6:** Get the strategic sequence right - Team 1 Presents and Leads from Discussion

March 14-22 Spring Break

March 23 Reading Assignment from **Blue Ocean Strategy Chapter 7**: Overcome key organizational hurdles – Team 2 Presents and Leads from Discussion

 March 25 Reading Assignment from **Blue Ocean Strategy Chapter 8**: Build execution into strategy - Team 3 Presents and Leads from Discussion

March 27 Reading Assignment from **Blue Ocean Strategy Chapter 9**: Align value, profit, and people propositions - Team 4 Presents and Leads from Discussion

March 30 Reading Assignment from **Blue Ocean Strategy Chapter 10**: Renew Blue Oceans - Team 5 Presents and Leads from Discussion

April 1 Reading Assignment from **Blue Ocean Strategy Chapter 11**: Avoid Red Ocean Traps - Team 6 Presents and Leads from Discussion

April 3 Foundations of Strategy: Realizing strategy – Dr Boal

April 6 Study Day: No Classes

April 8 Exam

April 10 No Class, Paper preparation day

April 13- No Class: School Holiday

April 15-27 All Team Papers Due. First day of presentations

Competitive Analysis Team Presentation

April 17 Competitive Analysis Team Presentation

April 20 Competitive Analysis Team Presentation

April 22 Competitive Analysis Team Presentation

April 24 Competitive Analysis Team Presentations

April 27 Competitive Analysis Team Presentations

May 1 Course Evaluations

May 3 Papers returned

May 5 Make-up Day

May 7-12 Final Exams

The above is a tentative syllabus and class schedule. Your instructor is free to change any part of it as circumstances dictate For example, the class schedule does not contain a date of the BKA Assessment. However, prior to any changes, you will be informed and given a chance to provide input. The syllabus contains several team study dates. Your team should take advantage of these dates to work on the team papers or even study for the exam.

**Paper 1 Overview: INDUSTRY AND COMPETITIVE SITUATION ANALYSIS**

**ANALYTICAL STEPS:**

* Identify the chief business and economic characteristics of the industry environment
* Identify/assess driving forces for change
* Evaluate the strength of competitive forces
* Assess the competitive positions of companies in the industry
* Predict who will likely make what competitive moves
* Pinpoint key success factors
* Draw conclusions about overall industry attractiveness

\*Note that each industry usually has several strategic segments, each of which may have different business & economic characteristics, driving forces for change, competitive forces, and key success factors, and therefore, the attractiveness of the industry varies across segments.

**Paper 2 Overview: COMPANY SITUATION ANALYSIS**

**ANALYTICAL STEPS:**

* Determine how well the present strategy is working (is current performance good?) By accounting criteria; by financial criteria; by marketing criteria; by management & HRM criteria, etc.
* Do a SWOT analysis. Match S&W with O&T. What are the company’s core capabilities? What is the current overlap between the key success factors in the industry and the company’s core capabilities?
* Assess the company’s relative competitive strength. Which of the company’s resources and assets are valuable in terms of providing a distinctive competency? Are these assets rare, non-imitable, or non-substitutable?
* Evaluate the company’s relative cost position
* Identify the strategic issues and problems which the company needs to address (change the mission? Raise or lower objectives? Improve or change strategy?)

**IDENTIFY/EVALUATE THE COMPANY’S OPTIONS**

**KEY ISSUES:**

* What realistic choices/options does the company have?
	+ Locked into making improvements in same basic strategy?
	+ Room to make major strategy changes? Where? How?
* How best to try to build a substantial competitive advantage

**FORM A STRATEGY**

**DECISION CRITERIA:**

* Helps to achieve food fit with the overall strategy
* Helps build competitive advantage
* Contributes to higher company performance

Below, are work sheets to help guide your team in writing your industry and competitive analysis

papers.

**Industry Analysis worksheets**

**WORKSHEET 6.2 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Industry Analysis Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. Potential rate of growth of industry (in real terms)

0-3% \_\_\_\_ 9-12% \_\_\_\_ 18-21% \_\_\_\_

3-6% \_\_\_\_ 12-15% \_\_\_\_ >21% \_\_\_\_

6-9% \_\_\_\_ 15-18% \_\_\_\_

1. Ease of entry of new firms into industry

No barriers - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ - Virtually impossible to enter

1. Intensity of competition among firms

Extremely competitive - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Almost no competition

1. Degree of product substitutability

Many substitutes available - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -No substitutes available

1. Degree of dependency on complementary or supporting products and services

Highly dependent - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Virtually independent

1. Degree of bargaining power buyers and customers possess

Buyers dictate terms - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Purchasing firms dictate terms

 (few large, concentrated buyers)

1. Degree of bargaining power suppliers and vendors

Suppliers dictate terms - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Purchasing firms dictate terms

 (about average)

1. Degree of technological sophistication in industry

High-level technology - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Very low-level technology

 (R&D essential)

1. Rate of innovation in industry

Rapid innovation - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Almost no innovation

 (continual influx of new ideas)

1. General level of management capability

Many very capable managers - \_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_:\_\_\_\_ -Very few capable managers

**WORKSHEET 4.2 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Environmental Scan (continued) Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Economic Factors

(e.g., business cycle, inflationary trends, consumption, employment, investment, monetary, and fiscal policies)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Political Factors

(e.g., political power, different ideologies, interest groups, social stability, legislation, and regulation)

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**WORKSHEET 4.2**

**Environmental Scan (continued)**

Social Factors

(e.g., age distribution, geographic distribution, income distribution, mobility, education, family values, work and business attitudes)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Technological Factors

(e.g., rate of technological change, future raw material availability, raw material cost, technological developments in related areas, product life cycle)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**WORKSHEET 4.2**

**Environmental Scan (continued)**

Competitive Factors

(e.g., entry and exit of major strategic changes by competitors, competition size, number, capacity, location, methods, production/market segments)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Geographical Factors

(e.g., plant/warehouse location, relocation of facilities, headquarters, foreign markets)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**WORKSHEET 4.3 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Environmental Threat and Opportunity Profile (ETOP) Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Factors | Impact of Factors |  | Importance of Factors |  | Environmental Threat (10 pp) |
| Economic | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_ |
| Political | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |
| Social | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |
| Technological | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |
| Competitive | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |
| Geographic | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |  | Total |  |

Impact from 10 (strongly positive) to 0 (strongly negative).

Importance of each factor ranked from 0 (unimportant) to 10 (very important).

Comments:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **TABLE 4.4** Information Needed for Competitor Analysis

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Concept Design | Physical Resources | Market | Finance | Management |
| Technical Resources | Plant | Sales Force | Long-Term | Key People |
| Concepts | Capacity | Skills | Debt/equity ratio | Objectives and priorities |
| Patents and copyrights | Size | Size | Cost of debt | Values |
| Technological sophistication | Location | Type | Short-term | Reward systems |
| Technical integration | Age | Location | Line of credit | Decision making |
| Human resources | Equipment | Distribution network | Type of debt | Location |
| Key people and skills | Automation | Research | Cost of debt | Type |
| Use of external | Maintenance | Skills | Liquidity | Speed |
|  technical groups | Flexibility | Type | Cash flow | Planning |
| Funding | Processes | Service and sales policies | Days of receivables | Type |
| Total | Uniqueness | Advertising | Inventory turnover | Emphasis |
| Percentage of sales | Flexibility |  Skills | Accounting practices | Time span |
| Consistency over time | Degree of integration |  Type | Human Resources | Staffing |
| Internally generated | Human Resources | Human Resources | Key people and skills | Longevity and turnover |
| Government supplied | Key people and skills | Key people and skills | Turnover | Experience |
|  | Work force | Turnover | Systems | Replacement policies |
|  |  Skills mix | Funding | Budgeting | Organization |
|  |  Unions | Total | Forecasting | Centralization |
|  |  Turnover | Consistency over time | Controlling | Functions |
|  |  | Percentage of sales |  | Use of staff |
|  |  | Reward systems |  |  |

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**Table 3-3 CATEGORIZING THE OBJECTIVES AND STRATEGIES OF COMPETITORS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Competitive Scope** | **Strategic Intent** | **Market Share Objective** | **Competitive Position / Situation** | **Strategic Posture** | **Competitive Strategy** |
| * Local
* Regional
* National
 | * Be the dominant leader
* Overtake the present industry leader
 | * Aggressive expansion via both acquisitions and internal growth
 | * Getting stronger; on the move
 | * Mostly offensive
* Mostly defensive
 | * Striving for low cost leadership
 |
| * Multi-country
* Global
 | * Be among the industry leaders (top 5)
* Move into the top 10
 | * Expansion via internal growth (boost market share at the expense of rival firms
 | * Well-entrenched; able to maintain its present position
 | * A combination of offense and defense
* Aggressive risk-taker
* Conservative follower
 | * Mostly focusing on a market niche

 - High end - Low end |
|  | * Move up a notch or two in the industry rankings
 | * Expansion via acquisition
 | * Stuck in the middle of the pack
 |  |  - Geographic - Buyers with special  needs |
|  | * Overtake a particular rival (not necessarily the leader)
 | * Hold onto present share (by growing at a rate equal to the industry average)
 | * Going after different market position (trying to move from a weaker to a stronger position)
 |  |  - Other* Pursuing differentiation based on

 - Quality |
|  | * Maintain position
* Just survive
 | * Give up share if necessary to achieve short-term profit objectives (stress profitability, not volume)
 | * Struggling; losing ground
* Retrenching to a position that can be defended
 |  |  - Service - Technological  superiority - Breadth of product line - Image and reputation - Other attributes |

Note: Since a focus strategy can be aimed at any of several market niches and a differentiation strategy can be keyed to any of several attributes, it is best to be explicit about what kind of focus strategy or differentiation strategy a given firm is pursuing. All focusers do not pursue the same market niche, and all differentiators do not pursue the same differentiating attributes.

Company
Analysis Worksheets

‘**WORKSHEET 9.1 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Company Capability Profile Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Managerial Factors**

 **0% Weak Neutral (50) Strong 100%**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. Corporate Image, Social Responsibility |  |  |  |  |
| 2. Use of Strategic Plans and Strategic  Analysis |  |  |  |  |
| 3. Environmental Assessment and  Forecasting |  |  |  |  |
| 4. Speed of Response to Changing  Conditions |  |  |  |  |
| 5. Flexibility of Organizational Structure |  |  |  |  |
| 6. Management Communication and  Control |  |  |  |  |
| 7. Entrepreneurial Orientation |  |  |  |  |
| 8. Ability to Attract and Retain Highly  Creative People |  |  |  |  |
| 9. Ability to Meet Changing Technology |  |  |  |  |
| 10. Ability to Handle Inflation |  |  |  |  |
| 11. Aggressiveness in Meeting Competition |  |  |  |  |
| 12. Other |  |  |  |  |

**Competitive Factors**

 **0% Weak Neutral (50) Strong 100%**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. Product Strength, Quality, Uniqueness |  |  |  |  |
| 2. Customer Loyalty and Satisfaction |  |  |  |  |
| 3. Market Share |  |  |  |  |
| 4. Low Selling and Distribution Costs |  |  |  |  |
| 5. Use of Experience Curve for Pricing |  |  |  |  |
| 6. Use of Life Cycle of Products and Replacement Cycle |  |  |  |  |
| 7. Investment in New Product Development by R&D |  |  |  |  |
| 8. High Barriers to Entry into the Company’s Markets |  |  |  |  |
| 9. Advantage Taken of Market Growth Potential |  |  |  |  |
| 10. Supplier Strength and Material Availability |  |  |  |  |
| 11. Customer Concentration |  |  |  |  |
| 12. Other |  |  |  |  |

**WORKSHEET 9.1**

**Company Capability Profile (continued)**

**Financial Factors**

 **0% Weak Neutral (50) Strong 100%**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. Access to Capital when Required |  |  |  |  |
| 2. Degree of Capital Utilization |  |  |  |  |
| 3. Ease of Exit from the Market |  |  |  |  |
| 4. Profitability, Return on Investment |  |  |  |  |
| 5. Liquidity, Available Internal Funds |  |  |  |  |
| 6. Degree of Leverage, Financial Stability |  |  |  |  |
| 7. Ability to Compete on Prices |  |  |  |  |
| 8. Capital Investment, Capacity to Meet Demand |  |  |  |  |
| 9. Stability of Costs  |  |  |  |  |
| 10. Ability to Sustain Effort in Cyclic Demand |  |  |  |  |
| 11. Price Elasticity of Demand |  |  |  |  |
| 12. Other |  |  |  |  |

**Technical Factors**

 **0% Weak Neutral (50) Strong 100%**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. Technical and Manufacturing Skills |  |  |  |  |
| 2. Resource and Personnel Utilization |  |  |  |  |
| 3. Level of Technology Used in Products |  |  |  |  |
| 4. Strength of Patents and Processes |  |  |  |  |
| 5. Production Effectiveness and Delivery  Schedules |  |  |  |  |
| 6. Value Added to Product |  |  |  |  |
| 7. Intensity of Labor to Produce to the Product |  |  |  |  |
| 8. Economies of Scale |  |  |  |  |
| 9. Newness of Plant and Equipment |  |  |  |  |
| 10. Application of Computer Technology |  |  |  |  |
| 11. Level of Coordination and Integration |  |  |  |  |
| 12. Other |  |  |  |  |

**Analysis**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Table 4-4 COMPANY SITUATIONAL ANALYSIS**

**1. STRATEGIC PERFORMANCE INDICATORS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Performance Indicator** | **19\_\_\_** | **20\_\_\_** | **20\_\_\_** | **20\_\_\_** | **20\_\_\_** |
| Market Share | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Sales Growth | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Net Profit Margin | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Return on Equity | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Other? | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |

**2. INTERNAL STRENGTHS**

 **INTERNAL WEAKNESSES**

 **EXTERNAL OPPORTUNITIES**

 **EXTERNAL THREATS**

**3. COMPETITIVE STRENGTH ASSESSMENT**

Rating Scale: 1 = Very weak; 10 = Very strong

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Key Success Factor/ Competitive Variable** | **Weight** | **Firm****A** | **Firm****B** | **Firm****C** | **Firm****D** | **Firm****E** |
| Quality/product performance | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Reputation/image | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Raw material access/cost | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Technological skills | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Manufacturing capability | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Marketing/distribution | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Financial strength | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Relative cost position | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |
| Other? |  |  |  |  |  |  |
| Overall strength rating  | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ |

**4. CONCLUSIONS CONCERNING COMPEITIVE POSITION**

(Improving/slipping? Competitive advantages/disadvantages?)

**5. MAJOR STRATEGIC ISSUES/PROBLEMS THE COMPANY MUST ADDRESS**

**EXHIBIT 6.10 SPACE CHART**

**Environmental**

**Stability (ES)**

High

Low

**Company’s Competitive Advantage (CA)**

**Company’s Financial Strength (FS)**

Defensive

4

3

2

1

-1

-2

-3

-4

-5

-6

5

6

6

5

4

3

2

1

-6

-5

-4

-3

-2

-1

 Aggressive

Competitive

Conservative

**Industry**

**Strength (IS)**

Low

High

**Industry Assessment Company Assessment**

1. *Factors determining environmental stability (ES)*

a) Technological changes

b) Rate of inflation

c) Demand variability

d) Price range of competing products

e) Barriers to entry into market

f) Competitive pressure

g) Price elasticity

1. *Factors determining industry strength (IS)*

a) Growth potential

b) Profit potential

c) Financial stability

d) Technological know-how

e) Resource utilization

f) Capital intensity

g) Ease of entry into market

h) Productivity; capacity utilization

1. *Factors determining competitive advantage (CA)*

a) Market share

b) Product quality

c) Product life cycle

d) Product replacement cycle

e) Customer loyalty

f) Competition’s capacity utilization

g) Technological know-how

h) Vertical integration

1. *Factors determining financial strength (FS)*

a) Return on investment

b) Leverage

c) Liquidity

d) Capital required/capital available

e) Cash flow

f) Ease of exit from market

g) Risk involved in business

**Financial Strength and Competitive Advantage are two (2) major determinants of strategic position**

**Industry Strength and Environmental Stability characterize strategic position of industry**

**WORKSHEET 11.4 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Organizational Life Cycle Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Large

*Size of Company*

**Phase 2**

Formalization

(Bureaucratic structure)

**Phase 3b**

Coordination

(Production group structure)

**Phase 1**

Initiation

(Entrepreneurial Structure)

**Phase 3a**

Expansion

(Divisional structure)

**Phase 4**

Participation

(Matrix structure)

Need for direction

Lack of autonomy

Lack of control

Need to adapt and cope

*Age of Company*

Mature

Young

Small

**Analysis**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**WORKSHEET 11.3 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Organizational Chart Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Analysis**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Table 4-3 (B) SAMPLE OF A WEIGHTED COMPETITIVE STRENGTH ASSESSMENT**

Rating Scale: 1 = Very weak; 10 = Very strong

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Key Success Factor / Strength Measure** | **Weight** | **ABC** **Co.** | **Rival** **1** | **Rival** **2** | **Rival** **3** | **Rival** **4** |
| Quality / product performance | 0.10 | 8/0.80 | 5/0.50 | 10/1.00 | 1/0.10 | 6/0.60 |
| Reputation / image | 0.10 | 8/0.80 | 7/0.70 | 10/1.00 | 1/0.10 | 6/0.60 |
| Raw material access / cost | 0.10 | 2/0.20 | 10/1.00 | 4/0.40 | 5/0.50 | 1/0.10 |
| Technological skills | 0.05 | 10/0.50 | 1/0.05 | 7/0.35 | 3/0.15 | 8/0.40 |
| Manufacturing capability | 0.05 | 9/0.45 | 4/0.20 | 10/0.50 | 5/0.25 | 1/0.05 |
| Marketing / distribution | 0.05 | 9/0.45 | 4/0.20 | 10/0.50 | 5/0.25 | 1/0.05 |
| Financial strength | 0.10 | 5/0.50 | 10/1.00 | 7/0.70 | 3/0.30 | 1/0.10 |
| Relative cost position | 0.35 | 4/1.75 | 10/3.50 | 3/1.05 | 1/0.35 | 4/1.40 |
| Ability to compete on price | 0.15 | 5/0.75 | 7/1.05 | 10/1.50 | 1/0.15 | 4/1.60 |
|  Sum of weights | 1.00 |  |  |  |  |  |
|  Weighted overall strength rating |  | 6.20 | 8.20 | 7.00 | 2.10 | 2.90 |

How important are the strengths?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

How vulnerable are the weaknesses?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

What is the cost of not responding?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT 6.14 Application of strategic position and action evaluation (SPACE) to strategy choices for business units

|  |  |
| --- | --- |
| *Strategic Posture as**Determined by* *SPACE* | Appropriate Generic Strategy |
| Aggressive Posture | Cost leadership through  concentration, concentric  diversification, or vertical  integration |
| Competitive Posture | Differentiation, e.g., through strong R&D effort funded  by merger with cash-rich  company |
| Conservative Posture | Focus and selective diversification through  acquisition of companies in  other market segments |
| Gamesmanship Posture | Defensive, particularly  survival tactics, such as  retrenchment, divestment,  or liquidation |

EXHIBIT 5.7 Gap Analysis

100%

Product Line Gap

(PLG)

Distribution Gap

(DG)

 Industry

Usage Gap

(UG)

 Market

 Potential

 (IMP)

Competitive Gap

(CG)

 Relevant

 Industry

Current Sales

(CS)

 Sales

 (RIS)

 0%

IMP = PLG + DG + UG + CG + CS

Real Market Share:

 CS

 (RMS) = RIS

**WORKSHEET 11.2 Case \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Assessment of Cultural Elements Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Score (0-9) for each**

|  |  |  |
| --- | --- | --- |
|  | Importance of Culture | Compatibility with strategic change |
| 1. Founder’s beliefs | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 2. Key executive’s style | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3. Maturity of organization | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 4. Cohesiveness and collaboration | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 5. Openness and trust | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 6. Climate of organization | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 7. Recognition of individual | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 8. Rewards for performance | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 9. Support of individual  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 10. Participation in decisions | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 11. Consistent communication | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 12. Enforcement of policies | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 13. Degree of social interaction | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 14. Opportunity for growth | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 15. Level of job security | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 16. Level of technology | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 17. Degree of innovation | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 18. Sense of belonging | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 19. Latitude in job execution | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 20. Sense of urgency | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

EXHIBIT 6.15 Strategic options and generic strategies.

FS = Financial Strength of the company; IS = Industrial Strength; ES = Environmental Stability; CA = Competitive Advantage of the company