

The Competitive Fitness of Global Firms Initiative
Core Indicators of Corporate Competitive Fitness

INDICATORS OF CORPORATE COMPETITIVE FITNESS

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
1	Future financial performance	81	81	0
1	Quality of products & services	81	77	+4
3	Strong will to improve	80	79	+1
4	Monitoring of results relative to plans	79	80	-1
4	Market effectiveness as priority	79	77	+2
6	Delivering high quality products	77	75	+2
6	Employees proud of products offered	77	76	+1
8	Availability of financial resources	76	76	0
8	Market segmentation strategies	76	72	+4
10	Social responsibility of firm	75	72	+3
10	Present financial strength	75	81	-6
10	Tracking of regulatory changes	75	74	+1
10	Demonstrated ability to adapt	75	75	0
14	Common organizational language	74	73	+1
14	Exciting workplace in future	74	74	0
14	Clear firm objectives	74	72	+2
14	Regularity of employee feedback	74	73	+1
18	Rationalizing product portfolio	73	69	+4
18	Quality of company image	73	71	+2
18	Confidence in actions for improvement	73	70	+3
21	Expected future growth	72	75	-3
21	Employee commitment	72	72	0
21	Focus on key countries	72	71	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
21	Present competitive position	72	71	+1
25	Shared mission	71	73	-2
25	Shared drive for improvement	71	71	0
25	Market share information available	71	69	+2
25	Passion for work	71	70	+1
25	Marketing actions in line with strategy	71	71	0
25	Targeting of profitable segments	71	75	-4
31	Focus on key products	70	69	+1
31	Diversity of recruitment	70	61	+9
31	Commitment to budget targets	70	69	+1
31	Coherence of strategy/planning budget	70	69	+1
35	Price competitiveness	69	65	+4
35	Firm's market influence	69	67	+2
35	Admired by others	69	68	+1
35	Customers' needs as priority	69	75	-6
39	Confidence in firm's ability to improve	68	71	-3
39	Segment growth information available	68	69	-1
39	Care of employees	68	67	+1
39	Customer orientation by competitors	68	67	+1
39	Effective internal communication network	68	69	-1
44	Customer satisfaction top priority	67	67	0
44	Collecting customer information	67	70	-3
44	Complaints system	67	67	0

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
44	Teamwork between marketing and sales	67	65	+2
44	Balanced product portfolio	67	68	-1
44	Past performance relative to competitors	67	67	0
44	Open communication	67	70	-3
44	Understanding corporate challenges	67	64	+3
52	New product development process	66	62	+4
52	Intl. input to product development	66	62	+4
52	Managers' realism	66	68	-2
52	Strategic fit	66	66	0
52	Confidence in knowing how to improve	66	67	-1
52	Monitoring of competitive activities	66	71	-5
52	Operational capacity	66	62	+4
59	Fairly priced products	65	67	-2
59	Pursuing customer retention	65	72	-7
59	Effective long-term planning	65	69	-4
59	Clarity of mgt evaluation process	65	63	+2
59	Cross-functional teamwork	65	65	0
59	Sufficient marketing resources	65	65	0
59	Clear strategic direction	65	64	+1
59	Scoreboard monitoring	65	65	0
59	Encourage employee contribution	65	68	-3
59	Clarity of personnel policies	65	64	+1
69	Awareness of market indicators	64	66	-2

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
69	Product performance information	64	59	+5
69	Willingness to change	64	64	0
69	Recognition for marketing effectiveness	64	64	0
69	Team spirit	64	66	-2
69	Service recovery	64	65	-1
75	Past intensity of new product intro.	63	68	-5
75	Environmental scanning	63	66	-3
75	Strength of sales force	63	64	-1
75	International perspective	63	60	+3
75	Strength of distribution	63	61	+2
75	Telephone operators	63	61	+2
75	Existence of common culture	63	63	0
75	Entrepreneurial spirit of managers	63	59	+4
75	IT for interaction	63	60	+3
84	Future intensity of new product intro.	62	64	-2
84	Cooperation between Mktg. and Ops.	62	62	0
84	Clarity of structure and roles	62	65	-3
84	Market orientation of operations	62	62	0
84	Awareness of customer needs	62	64	-2
84	Fit of organizational structure	62	58	+4
84	Cost competitiveness of firm	62	61	+1
84	Quality of managers	62	64	-2
84	Innovative drive	62	59	+3

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
93	Use of business consultants	61	61	0
93	Effectiveness of market research	61	61	0
93	International market synergies	61	60	+1
93	Benchmarking of competitive productivity	61	60	+1
93	Product differentiation	61	58	+3
93	Pro-activeness of R&D	61	62	-1
93	Quality of marketing talent	61	60	+1
100	Effectiveness of recruitment process	60	58	+2
100	Cost effectiveness of expenditures	60	59	+1
100	Measuring customer satisfaction	60	59	+1
100	Understanding of strengths & weaknesses	60	59	+1
104	R&D and marketing coordination	59	58	+1
104	Employees' sense of security	59	58	+1
104	Competitive spirit of employees	59	61	-2
104	Speed of new product development	59	54	+5
104	Speed of response to market shifts	59	59	0
104	Effectiveness of purchasing	59	58	+1
104	R&D effectiveness	59	62	-3
104	Coordinated product management	59	55	+4
104	Resource allocation effectiveness	59	56	+3
113	Resource allocation process	58	60	-2
113	Speed of decision making	58	59	-1
113	Quality of management training	58	58	0

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2002 Ratings

2002 Ranking		2002 Average	2001 Average	Change
113	Evaluation of opportunities	58	59	-1
117	New employee training	57	61	-4
117	Use of market planning tools	57	57	0
117	Not wasting resources	57	58	-1
117	Effective information systems	57	56	+1
117	Career development opportunities	57	55	+2
117	Effective supplier relationships	57	57	0
117	Resource allocation criteria	57	58	-1
124	Firm's agility over competition	56	57	-1
124	Managers' international experience	56	54	+2
126	Practicing innovative marketing	55	63	-8
126	Lost customers tracking	55	53	+2
126	Cust. satisf. measures widely available	55	52	+3
129	Benefits linked to market performance	54	53	+1
129	Multi-cultural management	54	55	-1
131	Innovative customer communication	53	56	-3
131	Support from headquarters	53	51	+2
133	Management presence in the field	51	53	-2
134	Lifetime customer value	48	48	0