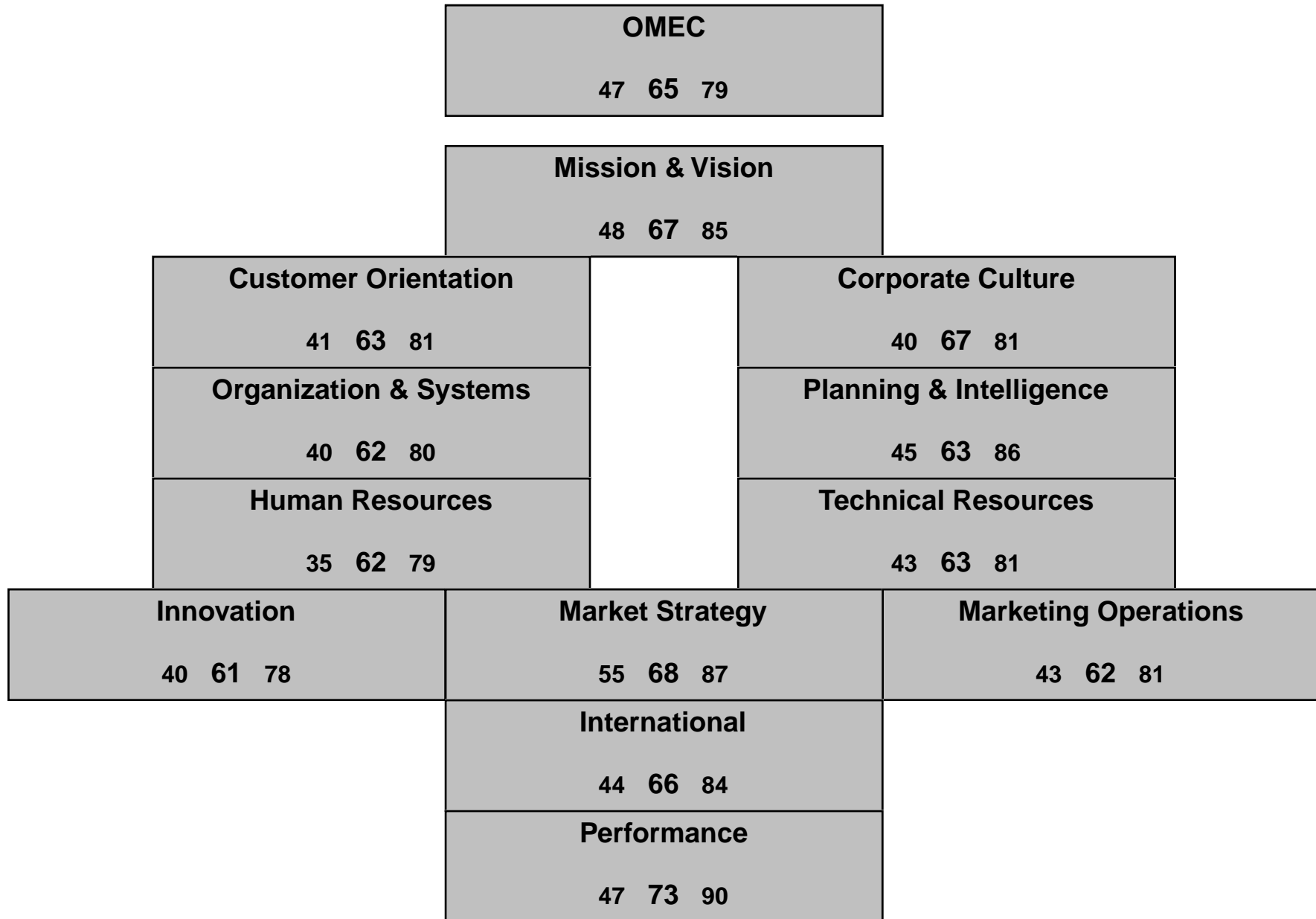


The Competitive Fitness of Global Firms Initiative
2000 Global Results

THE 2000 DASHBOARD OF GLOBAL FIRMS

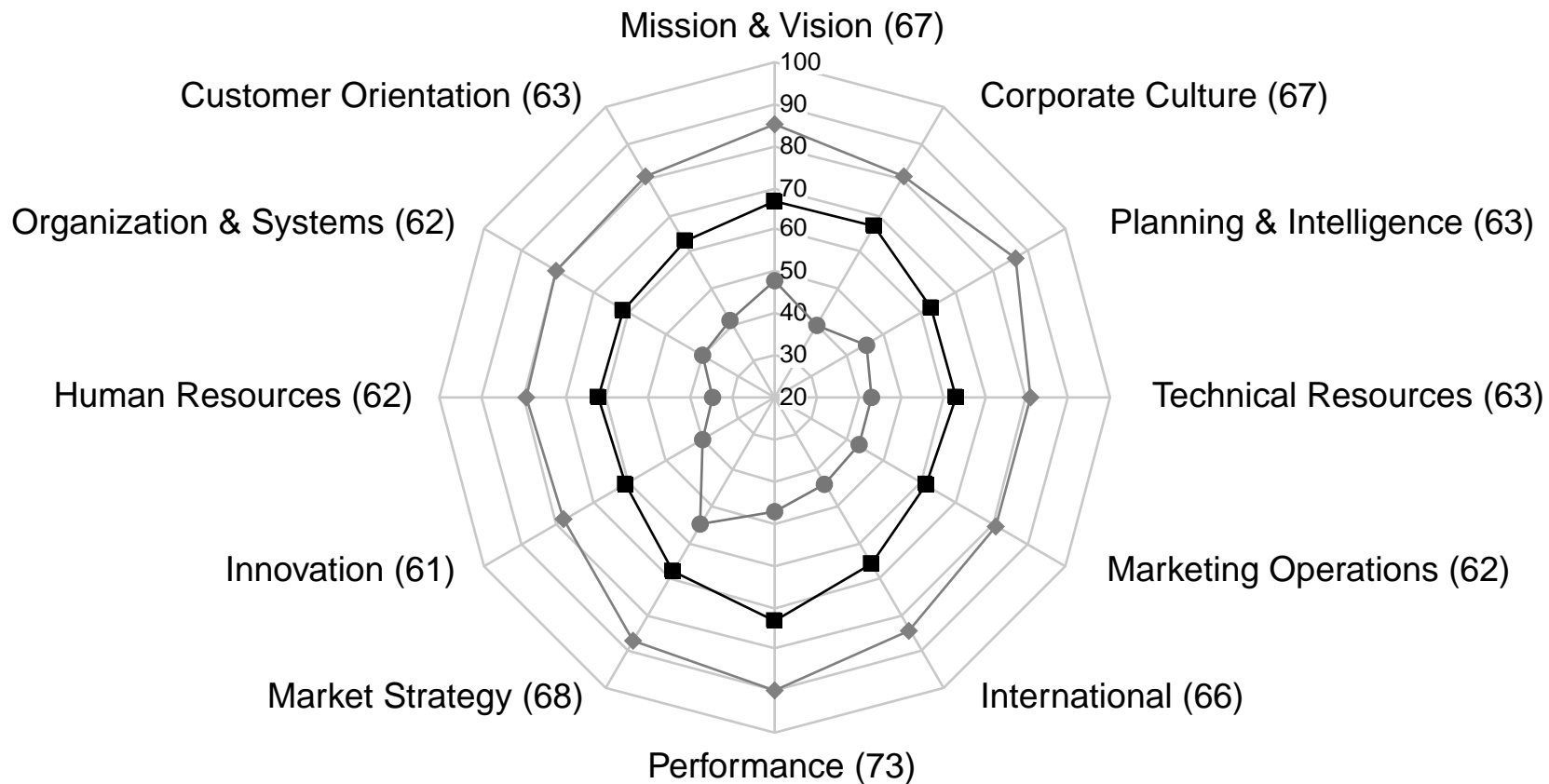


THE 2000 CAPABILITY PROFILE

■ Overall Average
● Lowest Rating for any Firm
◆ Highest Rating for any Firm

Values in brackets represents Overall Average.

Overall OMEC: 65



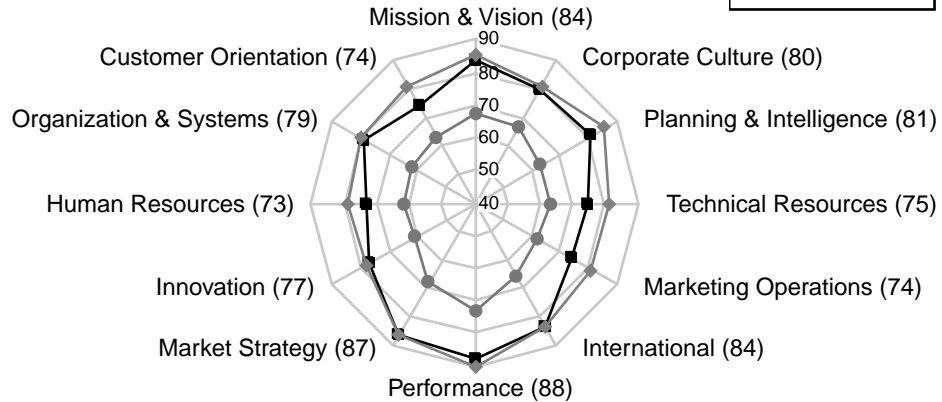
THE BEST OF BEST FIRMS IN GLOBAL

Firm Average
 Overall Average
 Highest Rating for any Firm

Values in brackets represent Firm Averages

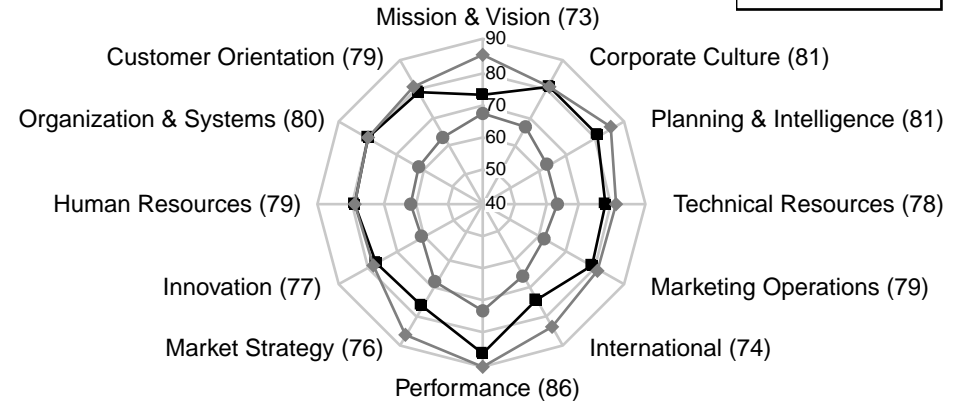
Schering-Plough

Firm OMEC: 79



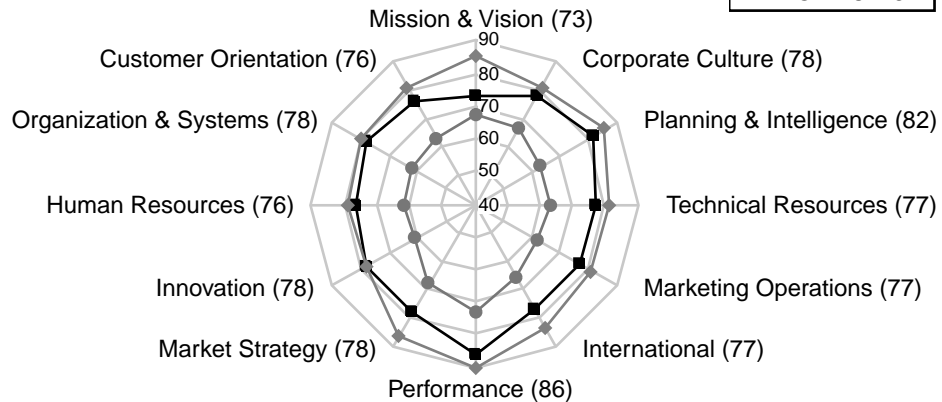
Unilever

Firm OMEC: 79



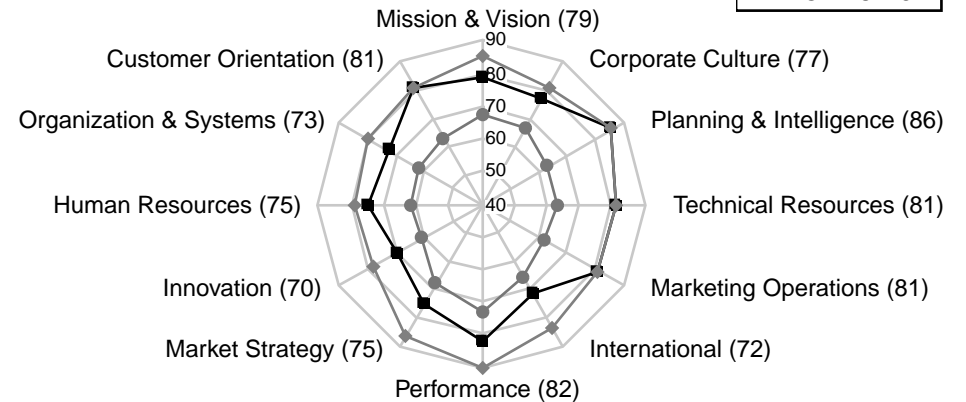
Credit Suisse Group

Firm OMEC: 78



Philip Morris

Firm OMEC: 78



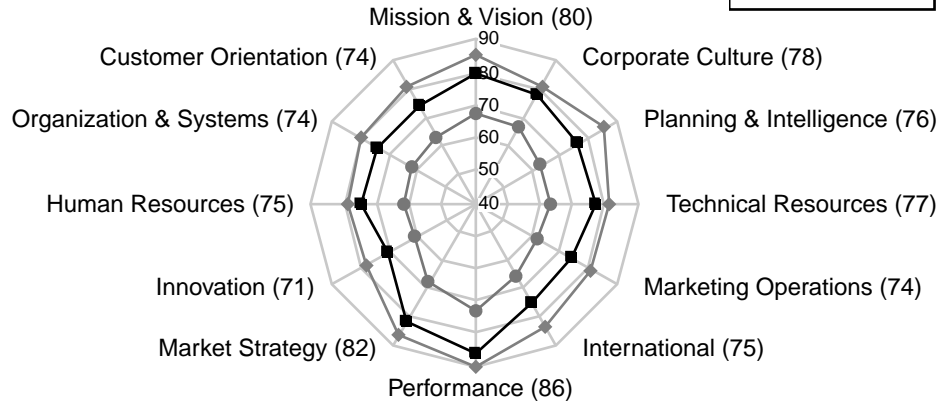
THE BEST OF BEST FIRMS IN GLOBAL

Firm Average
 Overall Average
 Highest Rating for any Firm

Values in brackets represent Firm Averages

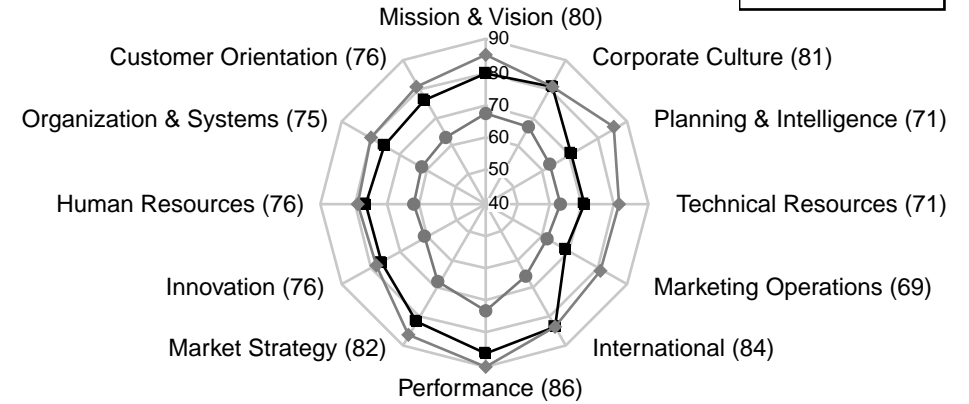
DSM

Firm OMEC: 77



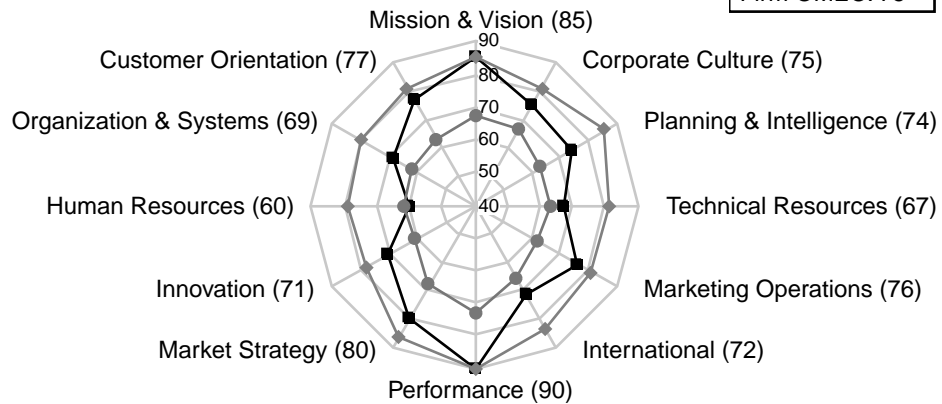
ST Microelectronics

Firm OMEC: 76



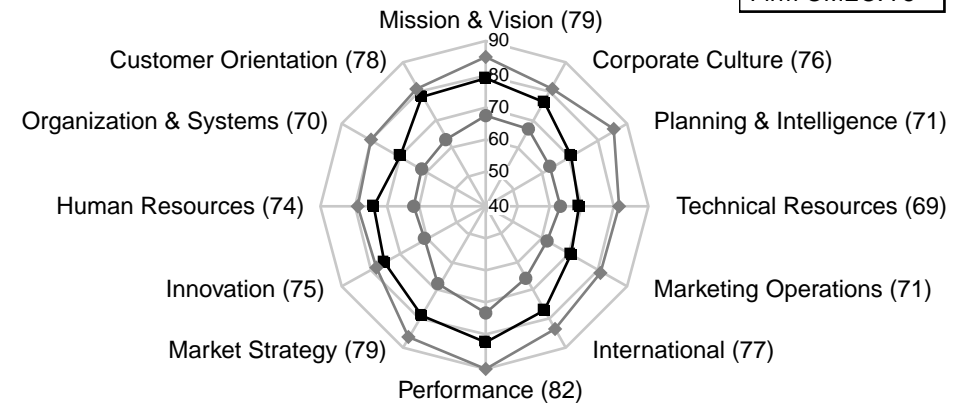
L'Oreal

Firm OMEC: 75

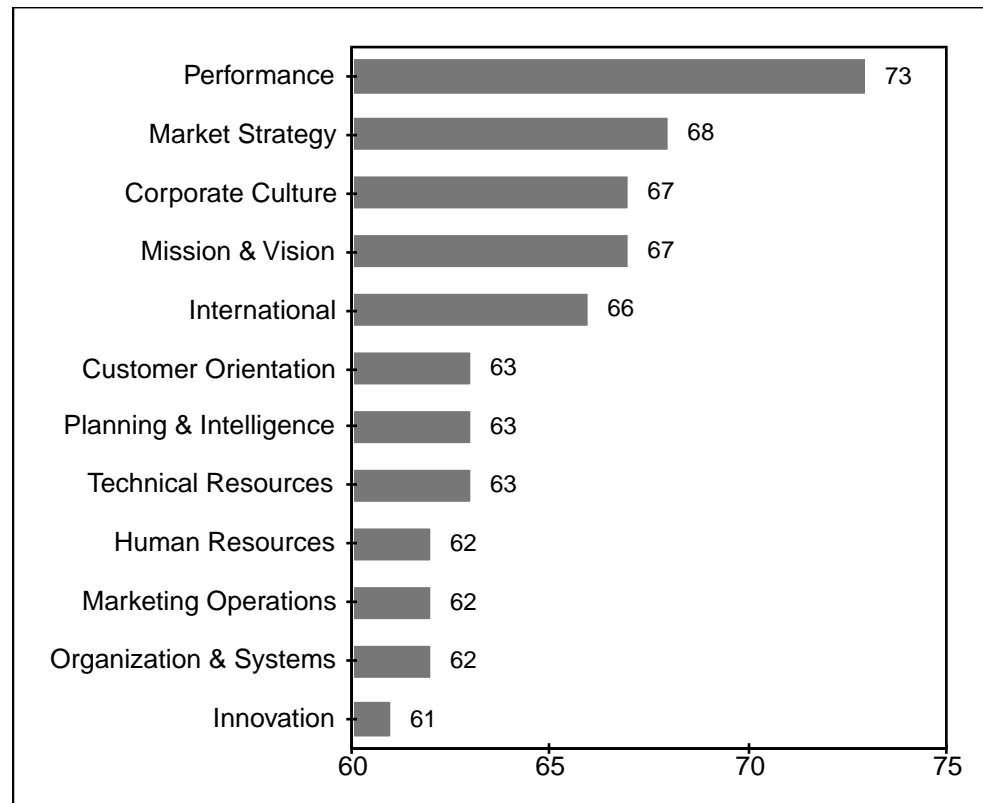


Xerox

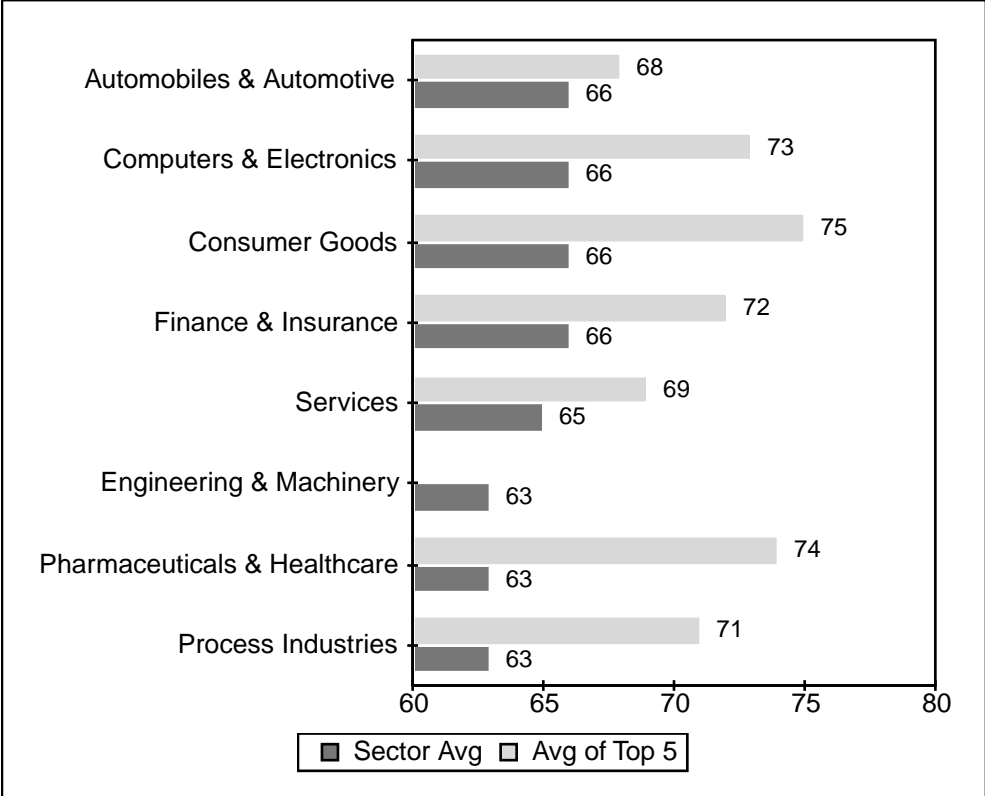
Firm OMEC: 75



OMEC CAPABILITY RATINGS



SECTOR AVERAGE VS AVERAGE OF TOP 5 FIRMS BY SECTOR



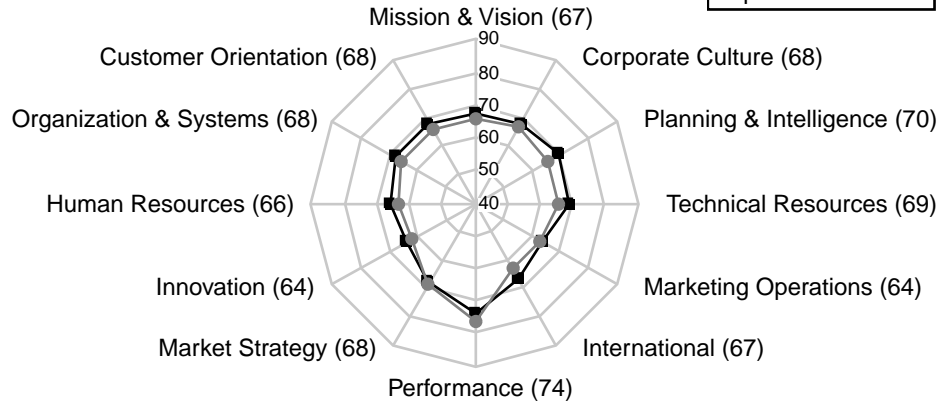
SECTOR TOP 5 AVERAGE VERSUS SECTOR AVERAGE

■ Sector Top5 Average ● Sector Average

Values in brackets represent Top 5 Averages

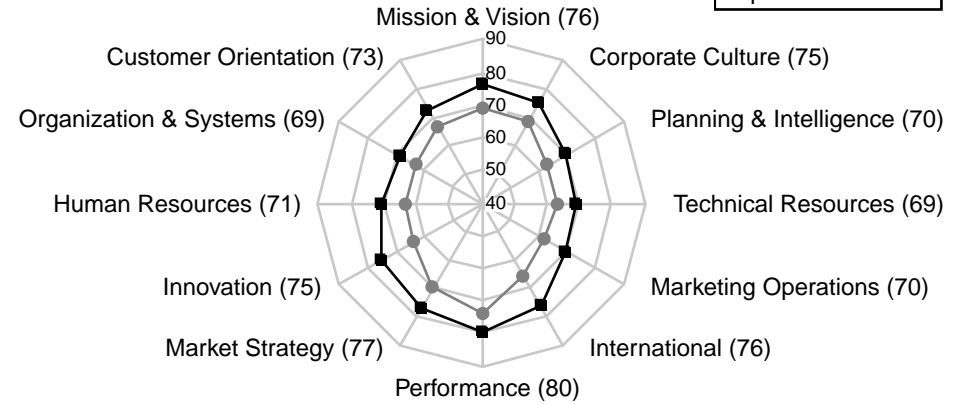
Automobiles & Automotive

Top 5 OMEC: 68



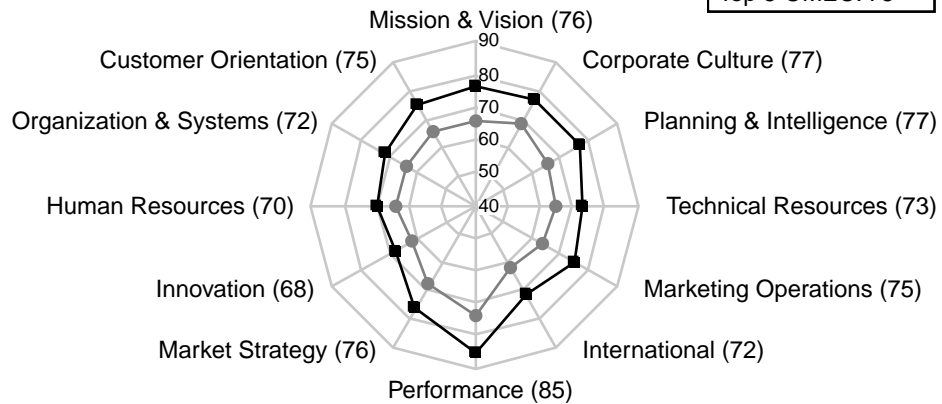
Computers & Electronics

Top 5 OMEC: 73



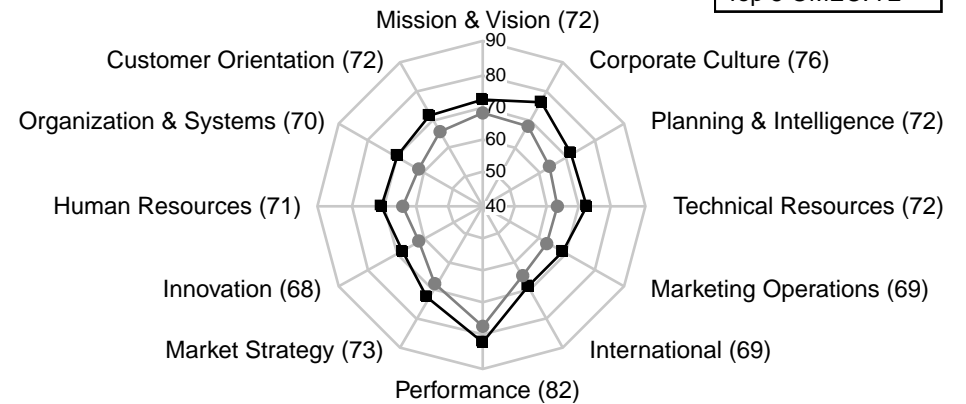
Consumer Goods

Top 5 OMEC: 75



Finance & Insurance

Top 5 OMEC: 72



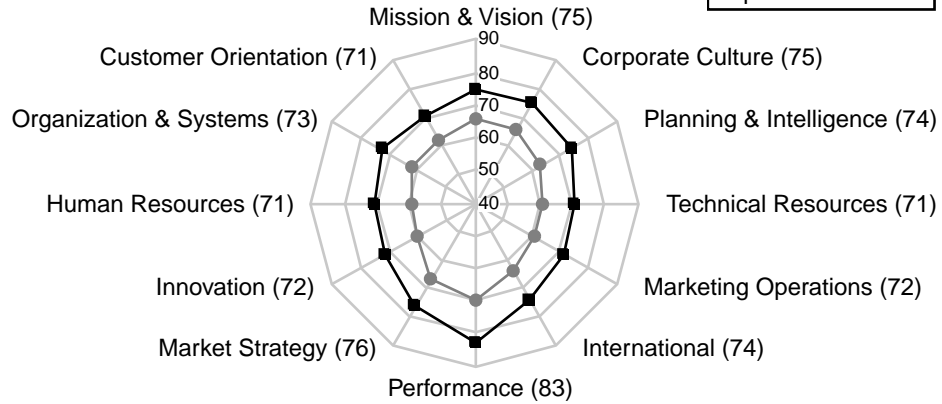
SECTOR TOP 5 AVERAGE VERSUS SECTOR AVERAGE



Values in brackets represent Top 5 Averages

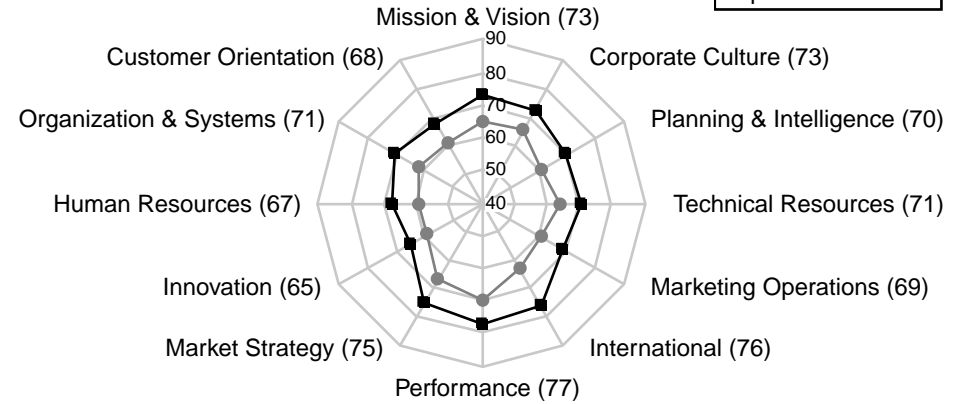
Pharmaceuticals & Healthcare

Top 5 OMEC: 74



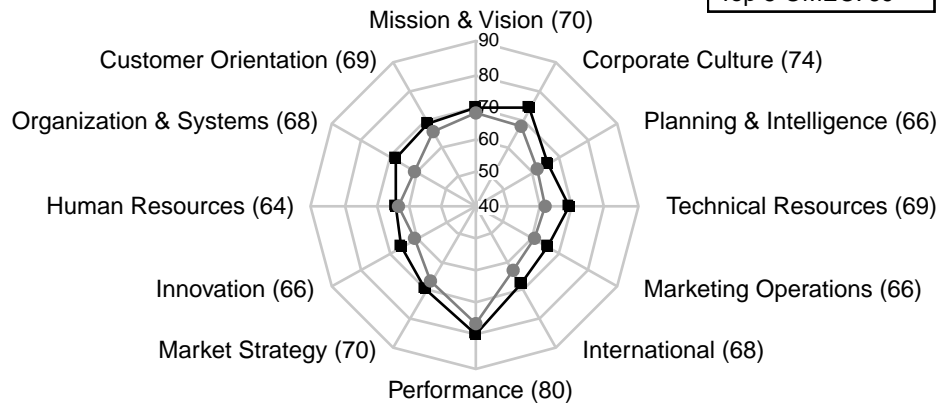
Process Industries

Top 5 OMEC: 71



Services

Top 5 OMEC: 69



THE BEST FIRMS IN GLOBAL STUDY 2000

2000 OMEC Rating	Firm	2000 OMEC Ranking	Sector	2000 Sector Ranking
79	Schering-Plough	1	Pharmaceuticals & Healthcare	1
79	Unilever	1	Consumer Goods	1
78	Credit Suisse Group	3	Finance & Insurance	1
78	Philip Morris	3	Consumer Goods	2
77	DSM	5	Process Industries	1
76	ST Microelectronics	6	Computers & Electronics	1
75	L'Oreal	7	Consumer Goods	3
75	Xerox	7	Computers & Electronics	2
74	Nortel Networks	9	Services	1
74	Pfizer	9	Pharmaceuticals & Healthcare	2
73	3i Group	11	Finance & Insurance	2
73	Diageo	11	Consumer Goods	4
73	Hewlett-Packard	11	Computers & Electronics	3
73	Johnson & Johnson	11	Pharmaceuticals & Healthcare	3
73	Saint-Gobain	11	Process Industries	2
72	DaimlerChrysler	16	Automobiles & Automotive	1
72	Intel	16	Computers & Electronics	4
72	Novartis	16	Pharmaceuticals & Healthcare	4
72	Swiss Re	16	Finance & Insurance	3
72	Warner-Lambert	16	Pharmaceuticals & Healthcare	4
71	Compaq	21	Computers & Electronics	5
71	Heineken	21	Consumer Goods	5
71	LVMH	21	Consumer Goods	5
71	Nokia	21	Computers & Electronics	5
71	Renault	21	Automobiles & Automotive	2
70	Fresenius	26	Pharmaceuticals & Healthcare	6
70	Honeywell International	26	Computers & Electronics	7
70	Schneider	26	Computers & Electronics	7
69	BNP Paribas	29	Finance & Insurance	4
69	CGNU	29	Finance & Insurance	4

THE BEST FIRMS IN GLOBAL STUDY 2000 (CONTD.)

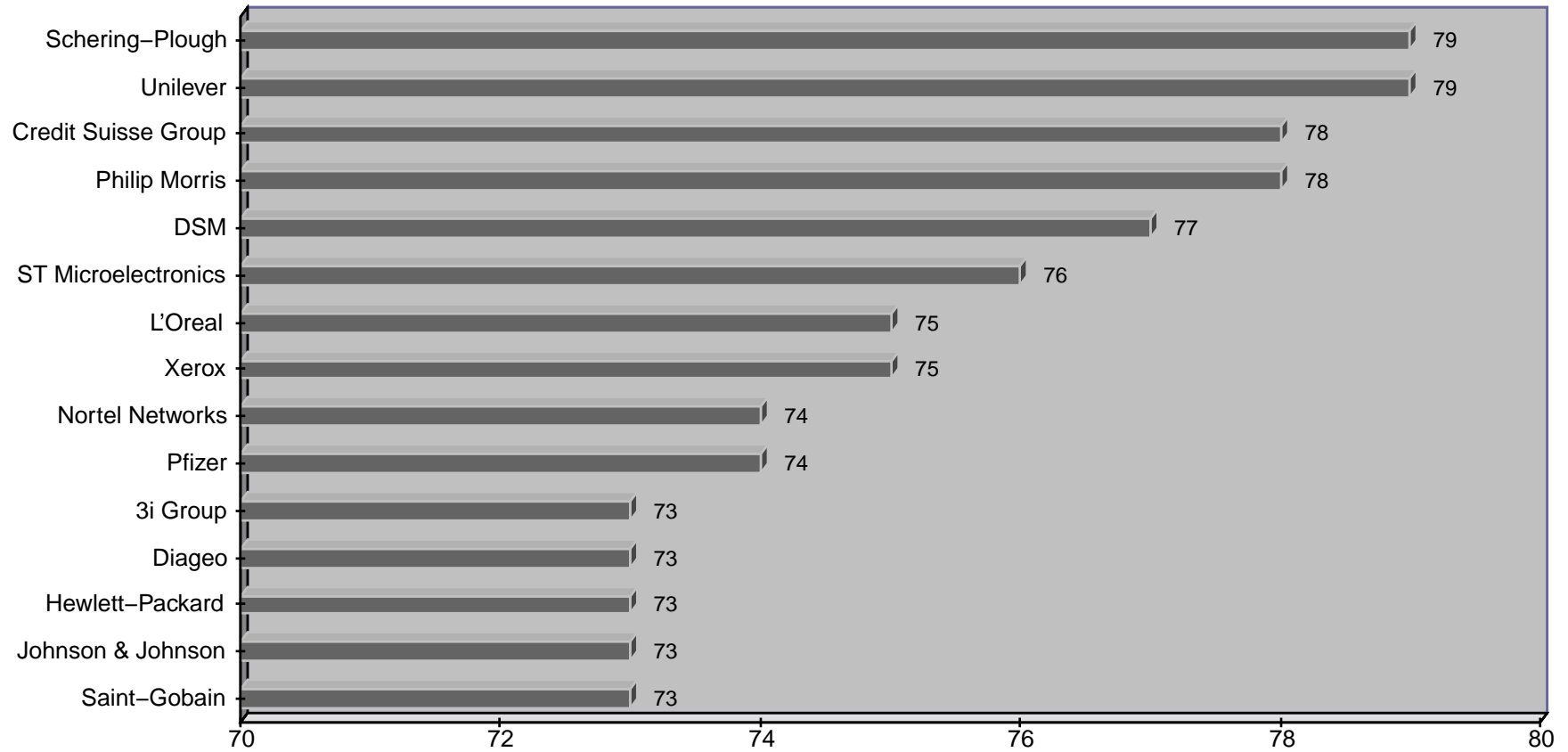
2000 OMEC Rating	Firm	2000 OMEC Ranking	Sector	2000 Sector Ranking
69	Eli Lilly	29	Pharmaceuticals & Healthcare	7
69	Exxon Mobil	29	Process Industries	3
69	IBM	29	Computers & Electronics	9
69	Novo	29	Pharmaceuticals & Healthcare	7
69	United Technologies	29	Engineering & Machinery	1
69	Vivendi Universal	29	Services	2
68	Aegon	37	Finance & Insurance	6
68	GlaxoSmithKline	37	Pharmaceuticals & Healthcare	9
68	International Paper	37	Process Industries	4
68	Lucent Technologies	37	Computers & Electronics	10
68	Moller (A.P.)	37	Services	3
68	Sara Lee	37	Consumer Goods	7
68	Valeo	37	Automobiles & Automotive	3
68	Walt Disney	37	Services	3
67	Bristol-Myers Squibb	45	Pharmaceuticals & Healthcare	10
67	Dow Chemical	45	Process Industries	5
67	Henkel	45	Consumer Goods	8
67	SmithKline Beecham	45	Pharmaceuticals & Healthcare	10
67	UBS	45	Finance & Insurance	7
66	Allianz	50	Finance & Insurance	8
66	BASF	50	Process Industries	6
66	Bayer	50	Process Industries	6
66	Danfoss	50	Computers & Electronics	11
66	Danisco	50	Consumer Goods	9
66	Fiat	50	Automobiles & Automotive	4
66	Philips Electronics	50	Computers & Electronics	11
66	SCA	50	Process Industries	6
66	SairGroup	50	Services	5
66	Schering AG	50	Pharmaceuticals & Healthcare	12
66	Vodafone	50	Services	5

THE BEST FIRMS IN GLOBAL STUDY 2000 (CONTD.)

2000 OMEC Rating	Firm	2000 OMEC Ranking	Sector	2000 Sector Ranking
65	Akzo Nobel	61	Process Industries	9
65	Aventis	61	Pharmaceuticals & Healthcare	13
65	DHL Worldwide Express	61	Services	7
65	Pharmacia	61	Pharmaceuticals & Healthcare	13
65	Rohm & Haas	61	Process Industries	9

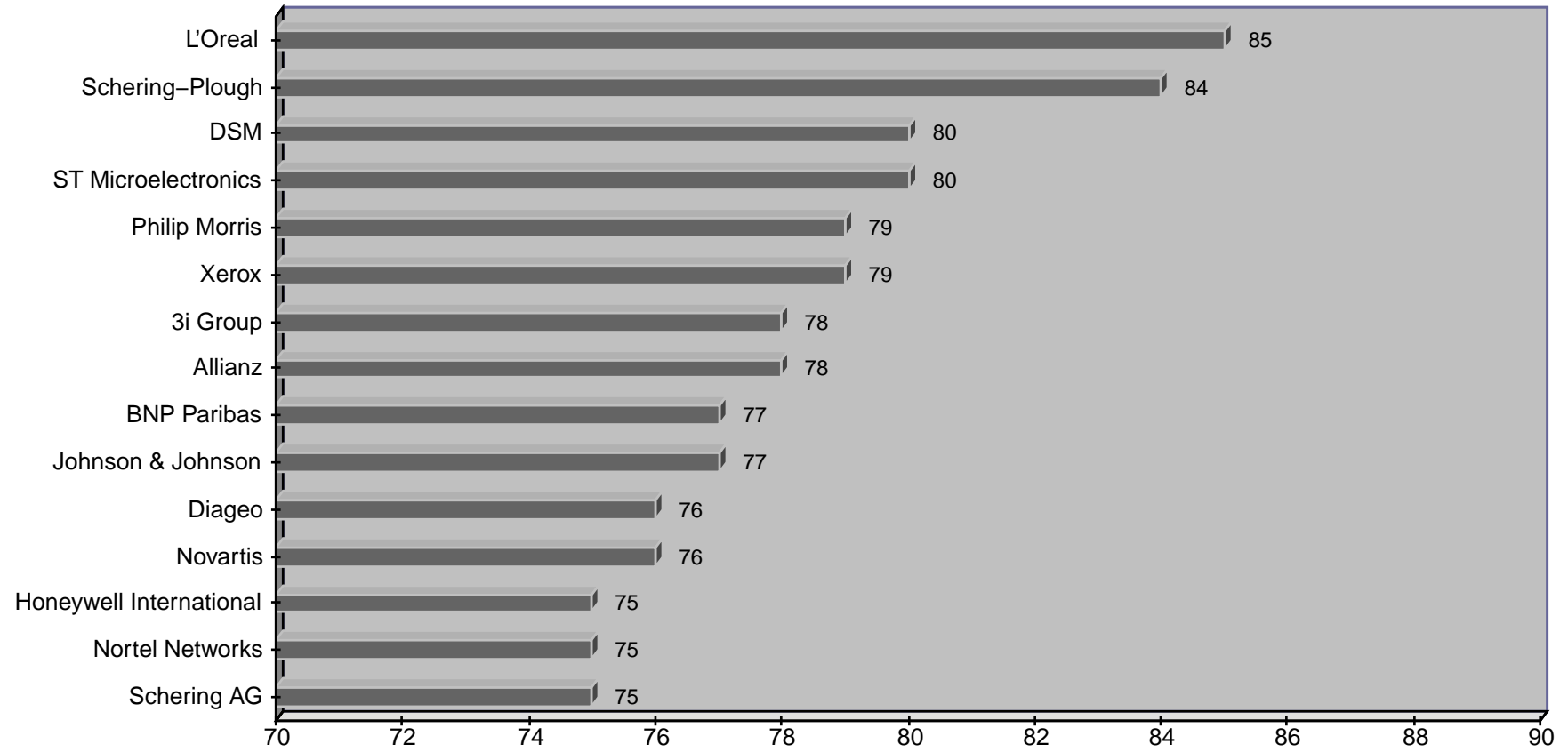
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

OMEC



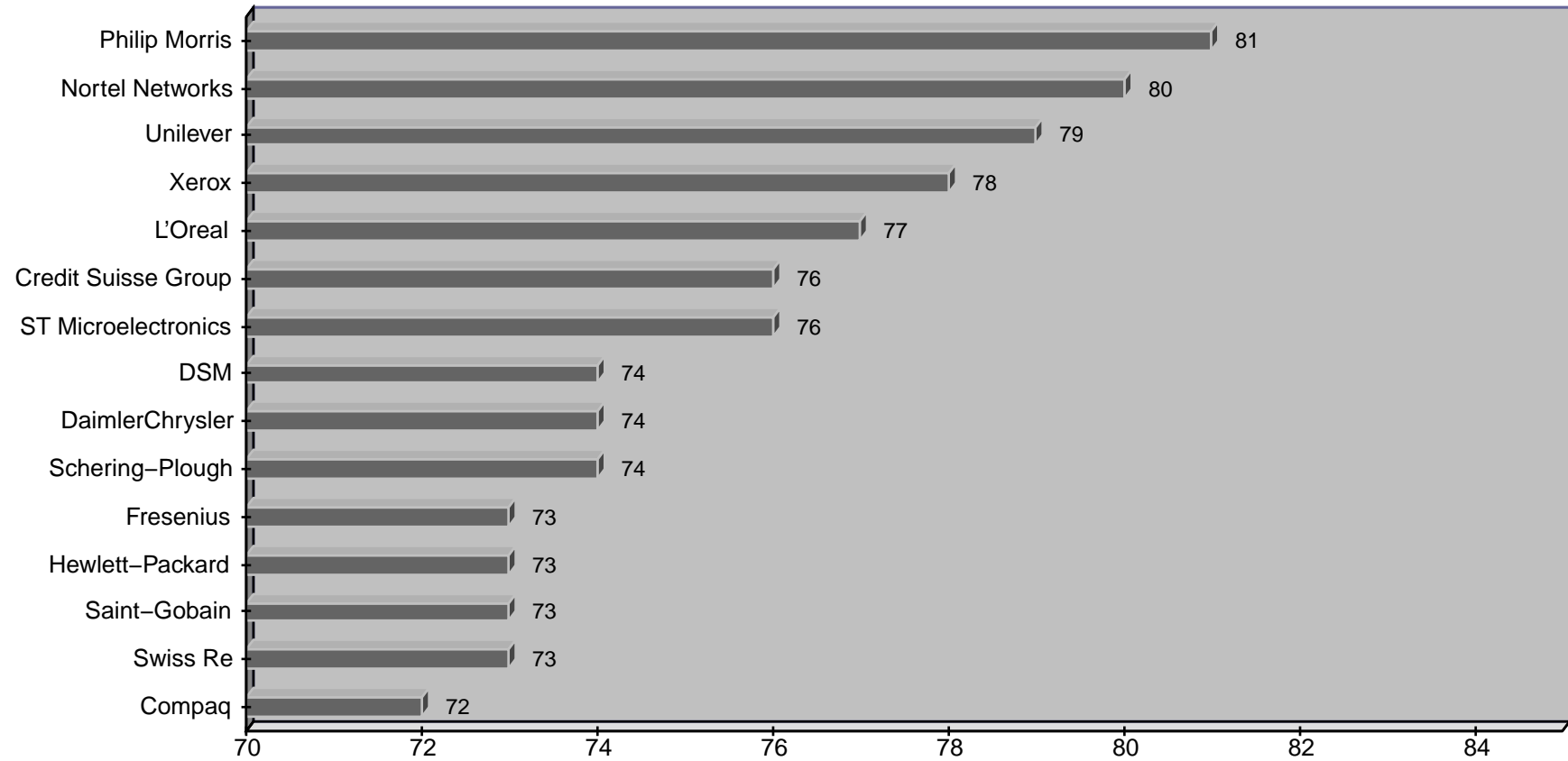
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Mission & Vision



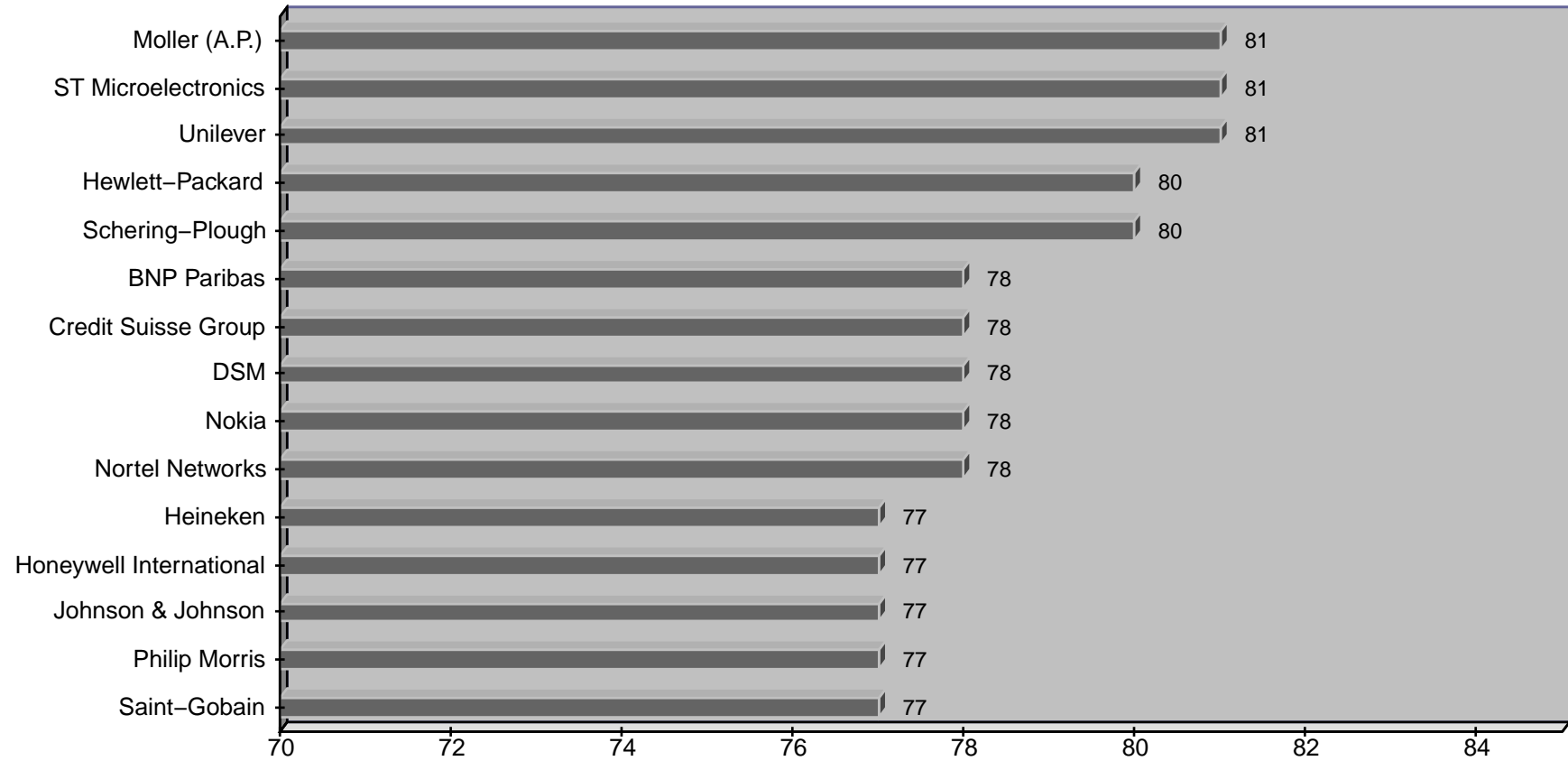
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Customer Orientation



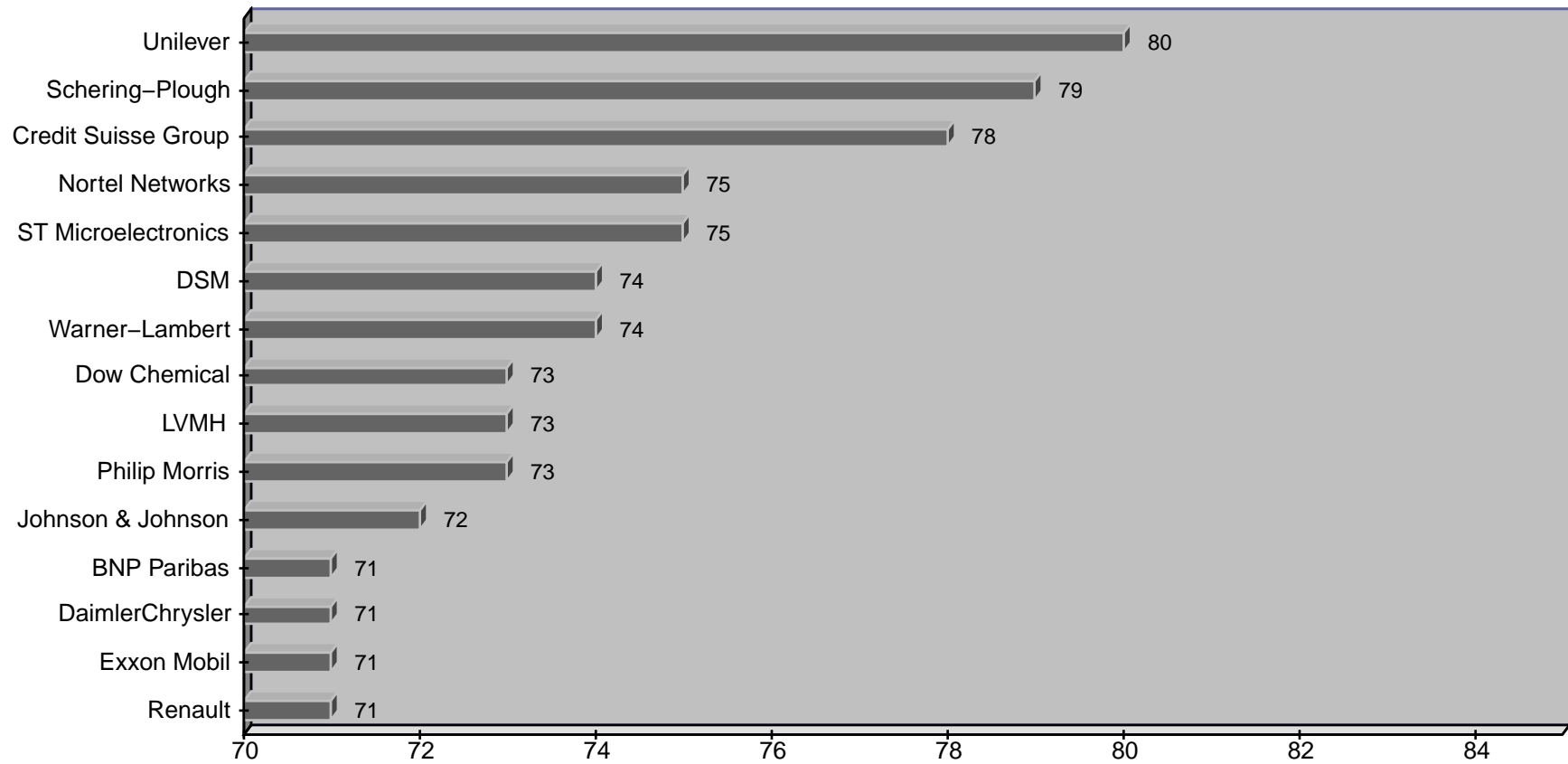
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Corporate Culture



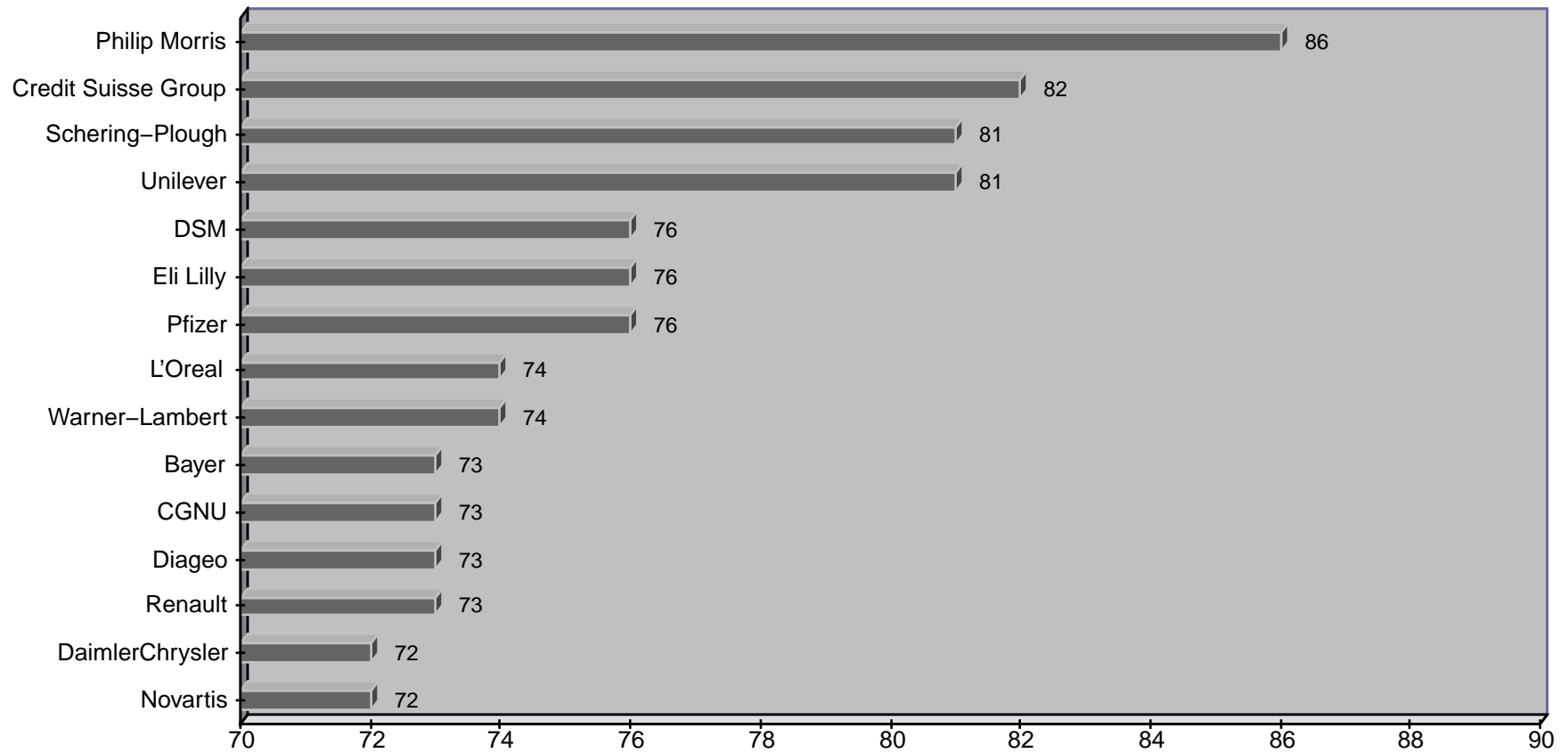
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Organization & Systems



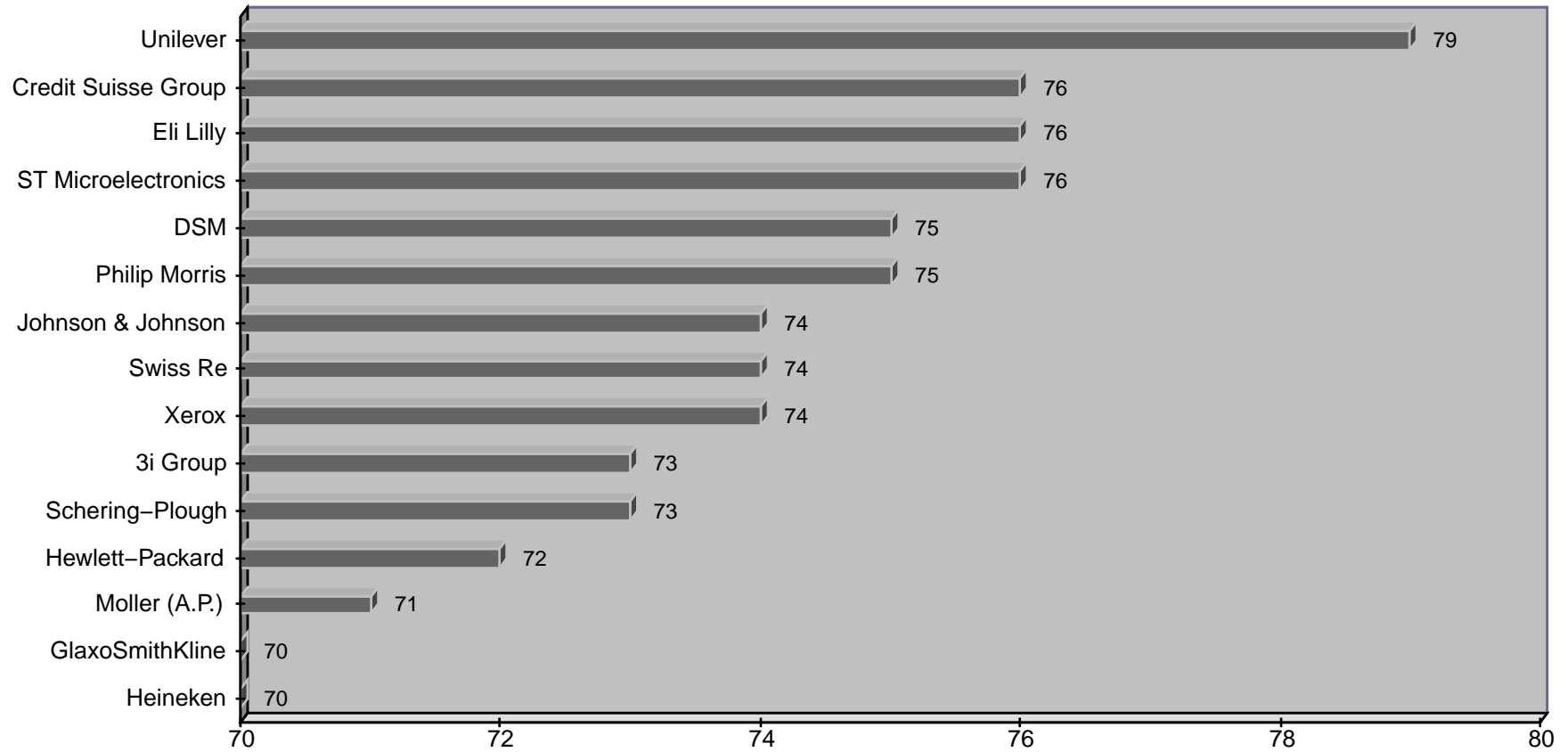
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Planning & Intelligence



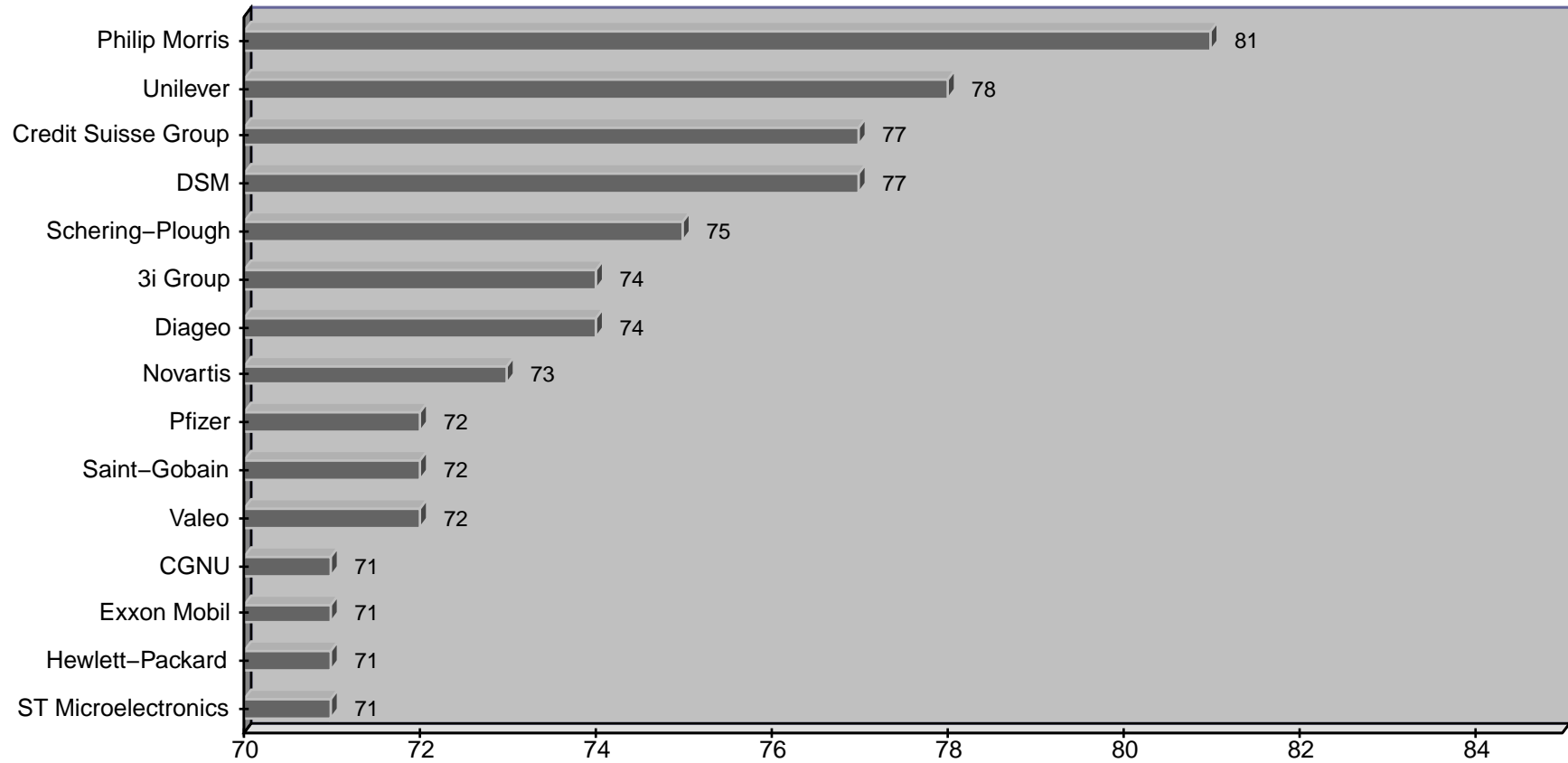
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Human Resources



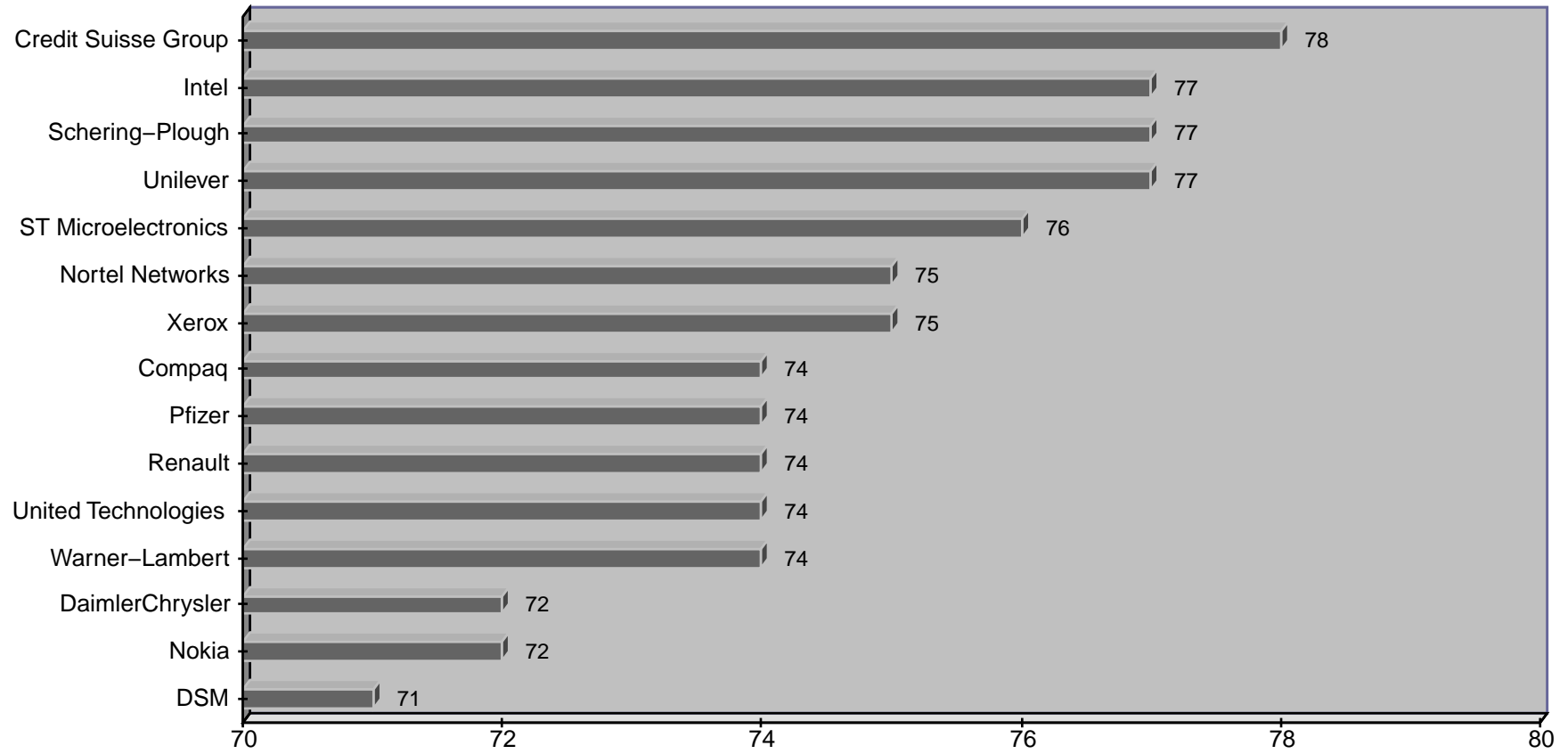
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Technical Resources



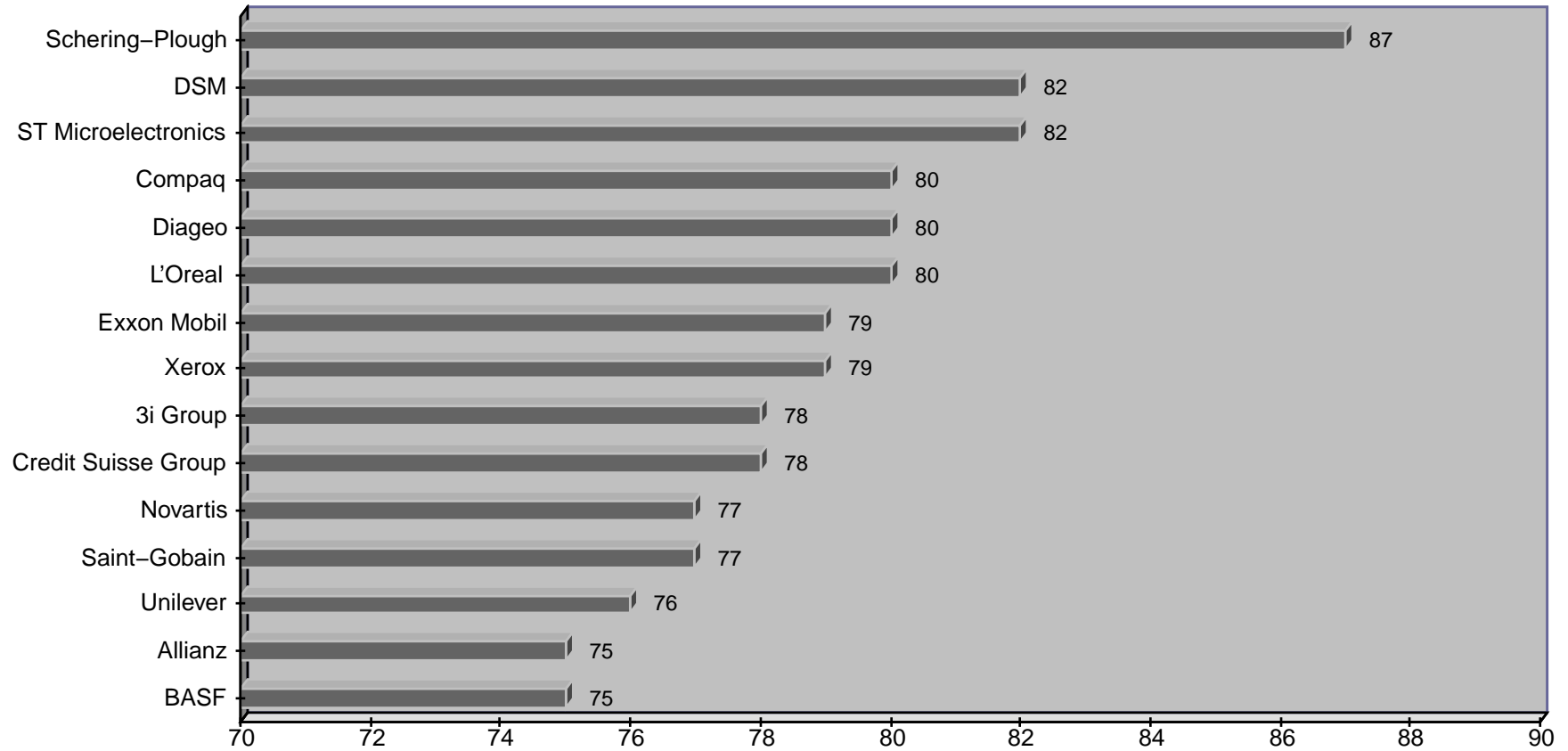
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Innovation



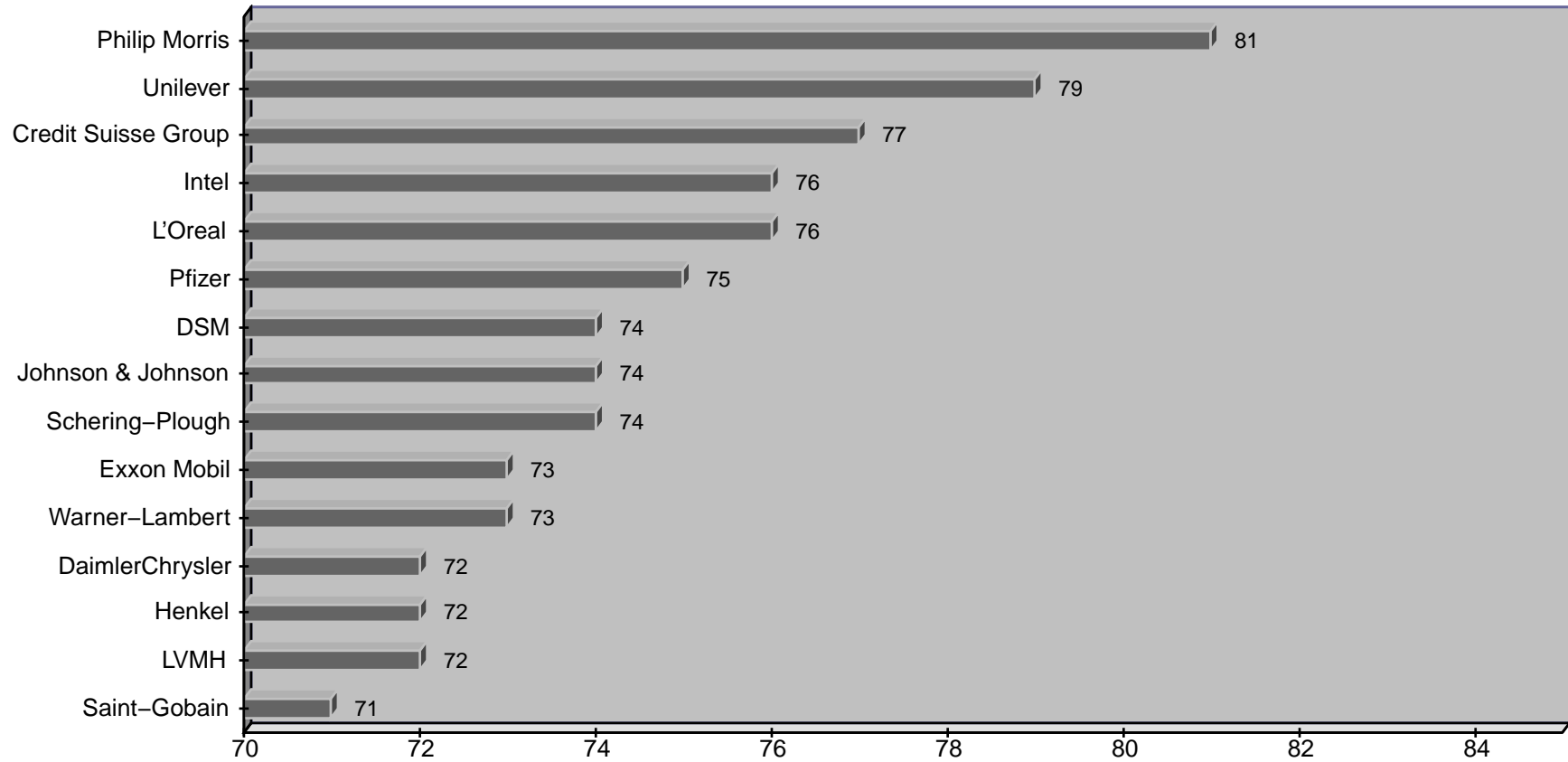
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Market Strategy



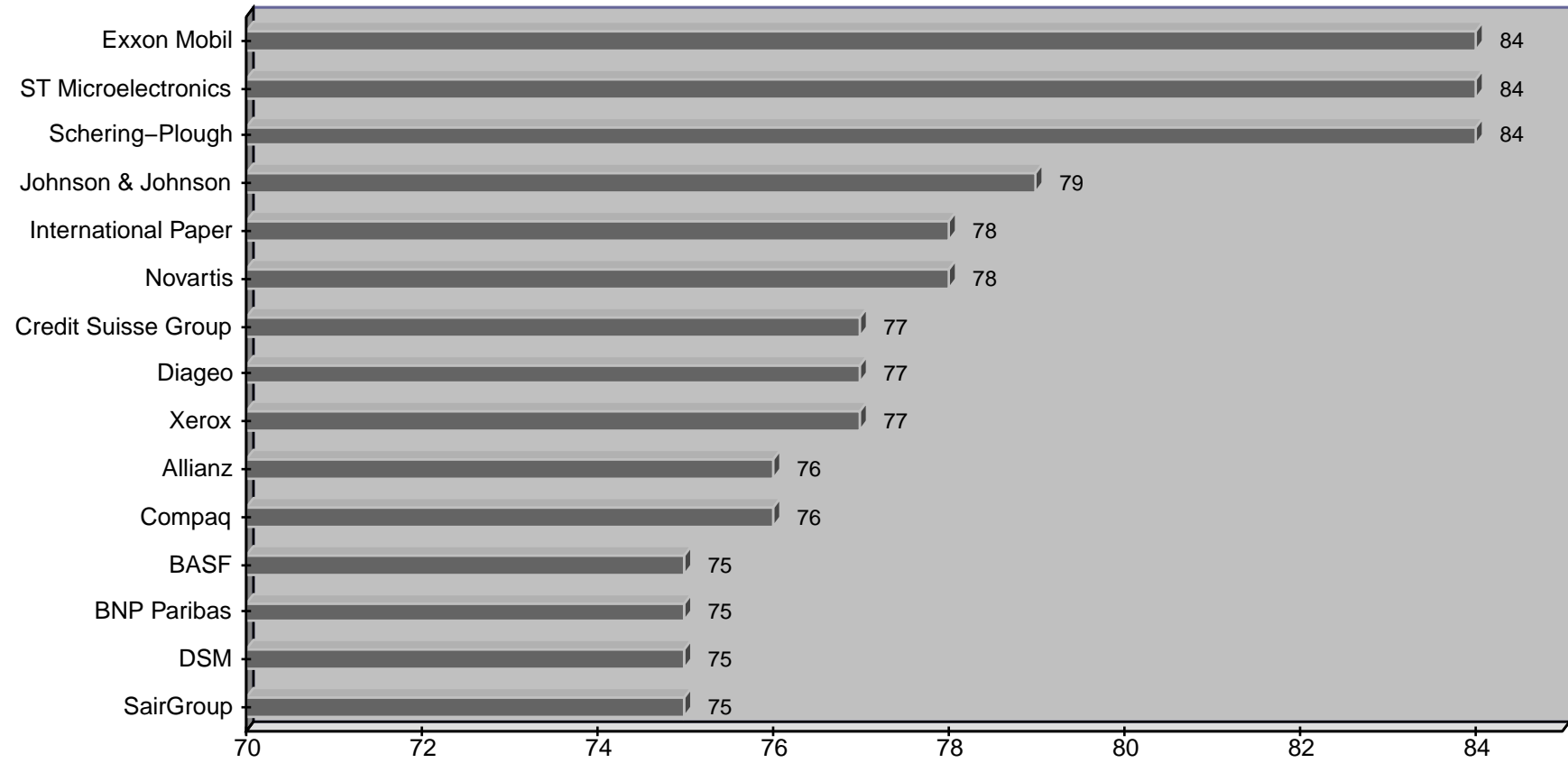
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Marketing Operations



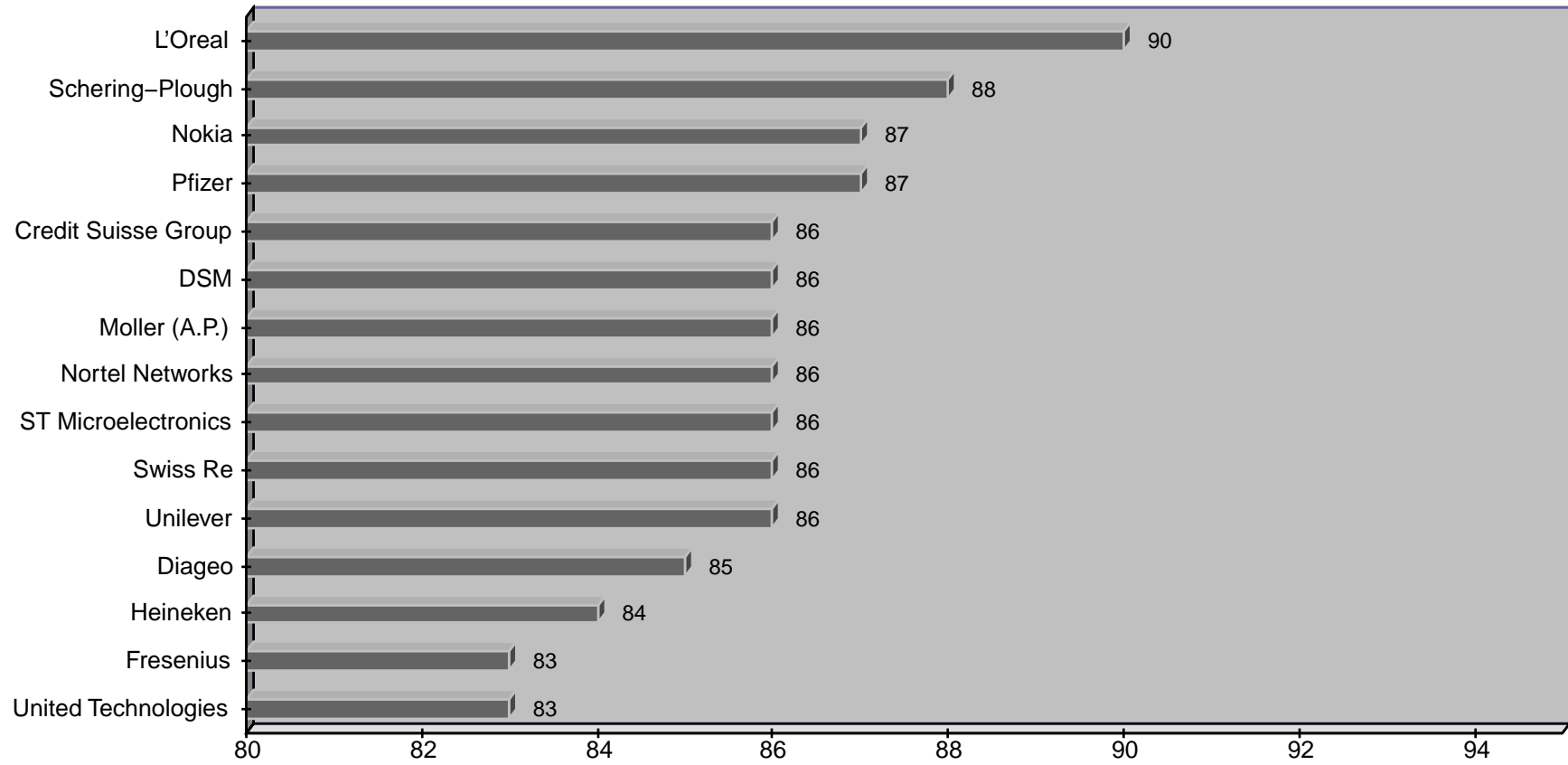
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

International



CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Performance



INDICATORS OF CORPORATE COMPETITIVE FITNESS

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
1	Future financial performance	81	80	+1
2	Present financial strength	80	85	-5
3	Availability of financial resources	79	82	-3
4	Quality of products & services	78	75	+3
4	Strong will to improve	78	76	+2
6	Employees proud of products offered	76	74	+2
6	Exciting workplace in future	76	82	-6
6	Focus on key countries	76	73	+3
6	Monitoring of results relative to plans	76	79	-3
6	Common organizational language	76	75	+1
11	Delivering high quality products	75	74	+1
11	Market share information available	75	73	+2
13	Demonstrated ability to adapt	74	73	+1
13	Market effectiveness as priority	74	73	+1
13	Expected future growth	74	75	-1
13	Social responsibility of firm	74	73	+1
17	Market segmentation strategies	73	74	-1
17	Targeting of profitable segments	73	71	+2
17	Clear firm objectives	73	72	+1
17	Customers' needs as priority	73	70	+3
21	Quality of company image	71	71	0
21	Present competitive position	71	71	0
21	Shared drive for improvement	71	68	+3

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
21	Marketing actions in line with strategy	71	68	+3
21	Passion for work	71	69	+2
26	Focus on key products	70	68	+2
26	Confidence in actions for improvement	70	72	-2
26	Shared mission	70	70	0
26	Tracking of regulatory changes	70	73	-3
26	Rationalizing product portfolio	70	74	-4
26	Employee commitment	70	70	0
26	Balanced product portfolio	70	66	+4
33	Commitment to budget targets	69	71	-2
33	Confidence in knowing how to improve	69	70	-1
33	Admired by others	69	69	0
33	Coherence of strategy/planning budget	69	66	+3
33	Confidence in firm's ability to improve	69	68	+1
33	Effective long-term planning	69	70	-1
39	Regularity of employee feedback	68	71	-3
39	Effective supplier relationships	68	65	+3
39	Complaints system	68	66	+2
39	Cross-functional teamwork	68	61	+7
39	Product performance information	68	62	+6
44	Care of employees	67	67	0
44	Customer orientation by competitors	67	66	+1
44	Strategic fit	67	68	-1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
44	Fairly priced products	67	66	+1
44	New product development process	67	61	+6
44	Encourage employee contribution	67	63	+4
50	Awareness of market indicators	66	63	+3
50	Managers' realism	66	66	0
50	Operational capacity	66	66	0
50	Customer satisfaction top priority	66	68	-2
50	Past performance relative to competitors	66	67	-1
50	Collecting customer information	66	65	+1
50	Willingness to change	66	63	+3
50	Open communication	66	61	+5
58	Understanding corporate challenges	65	68	-3
58	Teamwork between marketing and sales	65	64	+1
60	Recognition for marketing effectiveness	64	64	0
60	Service recovery	64	70	-6
60	Team spirit	64	60	+4
60	Strength of distribution	64	64	0
60	Monitoring of competitive activities	64	72	-8
60	Sufficient marketing resources	64	-	-
60	Segment growth information available	64	66	-2
60	Quality of managers	64	61	+3
68	Effective internal communication network	63	66	-3
68	Existence of common culture	63	62	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
68	Scoreboard monitoring	63	64	-1
68	Clarity of structure and roles	63	63	0
68	Clear strategic direction	63	64	-1
68	Future intensity of new product intro.	63	63	0
68	Past intensity of new product intro.	63	62	+1
68	Pursuing customer retention	63	68	-5
76	Awareness of customer needs	62	62	0
76	Diversity of recruitment	62	65	-3
76	Effectiveness of market research	62	61	+1
76	Firm's market influence	62	64	-2
76	Pro-activeness of R&D	62	62	0
76	Competitive spirit of employees	62	57	+5
76	Clarity of mgt evaluation process	62	60	+2
76	Clarity of personnel policies	62	62	0
84	Environmental scanning	61	63	-2
84	Quality of marketing talent	61	59	+2
84	Telephone operators	61	62	-1
84	R&D and marketing coordination	61	60	+1
84	Effectiveness of purchasing	61	62	-1
84	Price competitiveness	61	61	0
84	Use of business consultants	61	64	-3
91	Entrepreneurial spirit of managers	60	60	0
91	Speed of decision making	60	59	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
91	R&D effectiveness	60	57	+3
91	Market orientation of operations	60	62	-2
91	Product differentiation	60	56	+4
91	Strength of sales force	60	62	-2
91	Cost competitiveness of firm	60	64	-4
91	Measuring customer satisfaction	60	58	+2
91	Not wasting resources	60	59	+1
91	IT for interaction	60	57	+3
91	Intl. input to product development	60	61	-1
102	Innovative drive	59	60	-1
102	Resource allocation effectiveness	59	57	+2
102	Cooperation between Mktg. and Ops.	59	58	+1
102	Fit of organizational structure	59	59	0
102	Benchmarking of competitive productivity	59	59	0
107	Understanding of strengths & weaknesses	58	61	-3
107	Resource allocation process	58	59	-1
109	Cost effectiveness of expenditures	57	56	+1
109	Employees' sense of security	57	58	-1
109	International market synergies	57	55	+2
109	Cust. satisf. measures widely available	57	55	+2
109	Effectiveness of recruitment process	57	57	0
109	Practicing innovative marketing	57	57	0
115	New employee training	56	55	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
115	Speed of response to market shifts	56	56	0
115	Coordinated product management	56	57	-1
115	Resource allocation criteria	56	59	-3
115	Quality of management training	56	57	-1
115	Speed of new product development	56	55	+1
115	Firm's agility over competition	56	54	+2
115	Career development opportunities	56	56	0
115	Support from headquarters	56	55	+1
124	Innovative customer communication	55	61	-6
124	International perspective	55	58	-3
124	Managers' international experience	55	53	+2
124	Use of market planning tools	55	55	0
128	Evaluation of opportunities	54	57	-3
128	Management presence in the field	54	49	+5
128	Multi-cultural management	54	49	+5
128	Benefits linked to market performance	54	54	0
132	Effective information systems	53	53	0
133	Lost customers tracking	52	50	+2
134	Lifetime customer value	47	51	-4

OPTIMAL INDICATORS OF CORPORATE COMPETITIVE FITNESS

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
1	Firm's objectives	62	61	+1
2	Market share objective	56	57	-1
2	Product or service scope	56	57	-1
4	International scope	55	55	0
4	Concentration on key prod. or services	55	54	+1
6	Stability of top management	54	55	-1
6	Autonomy of country managers	54	54	0
8	Market growth as criterion	53	52	+1
9	Profit consciousness of employees	50	50	0
10	International product standardization	48	48	0
10	R&D spending	48	48	0
12	Pay variability with performance	47	47	0
13	Advertising expenditures	45	44	+1
14	Marketing influence	43	42	+1
14	Innovative external partnerships	43	43	0
16	International coordination	41	39	+2
16	Management training	41	43	-2

EVALUATION OF FIRM'S PORTFOLIO OF GLOBAL ACTIVITIES

Ranking By 2000 Ratings

2000 Ranking		2000 Average	1999 Average	Change
1	North America	55	55	0
2	Europe	53	54	-1
3	Latin America	44	41	+3
4	Asia Pacific	43	43	0
5	Africa	41	40	+1