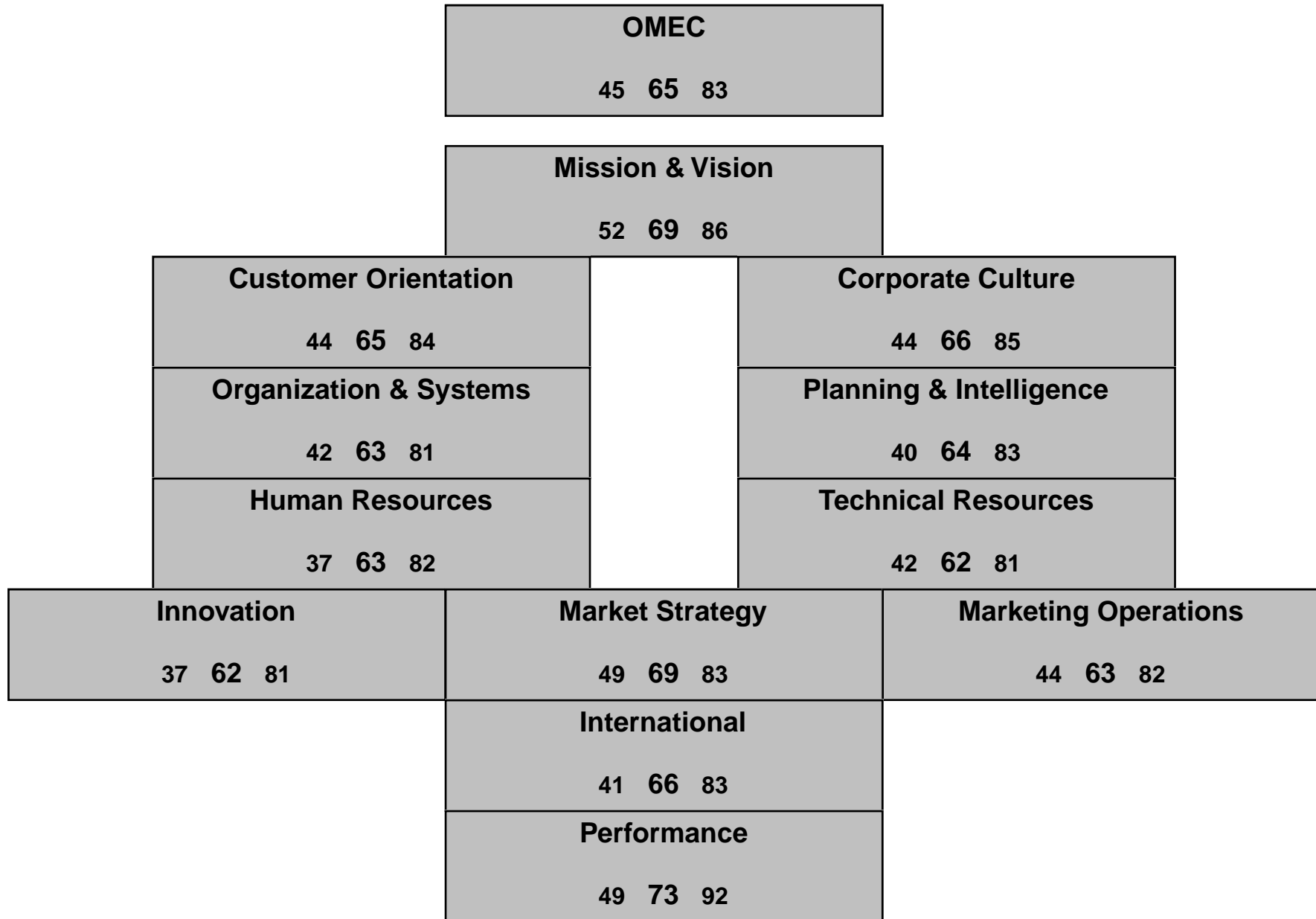


The Competitive Fitness of Global Firms Initiative
2001 Global Results

THE 2001 DASHBOARD OF GLOBAL FIRMS

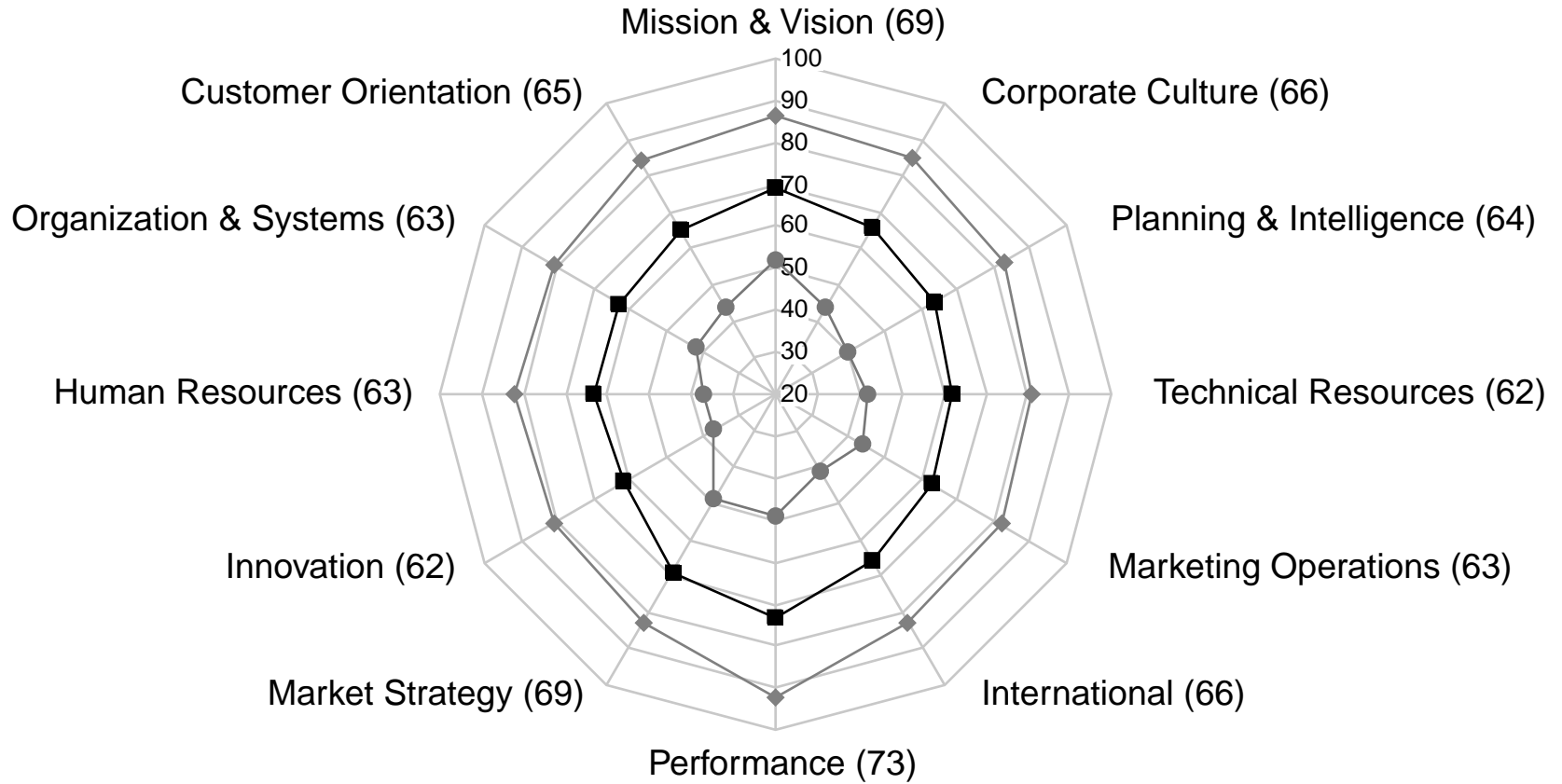


THE 2001 CAPABILITY PROFILE

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

Values in brackets represents Overall Average.

Overall OMEC: 65



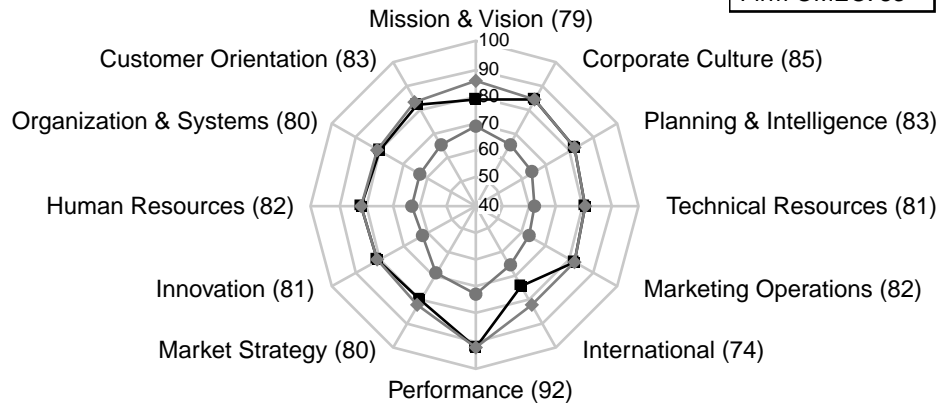
THE BEST OF BEST FIRMS IN GLOBAL

Firm Average
 Overall Average
 Highest Rating for any Firm

Values in brackets represent Firm Averages

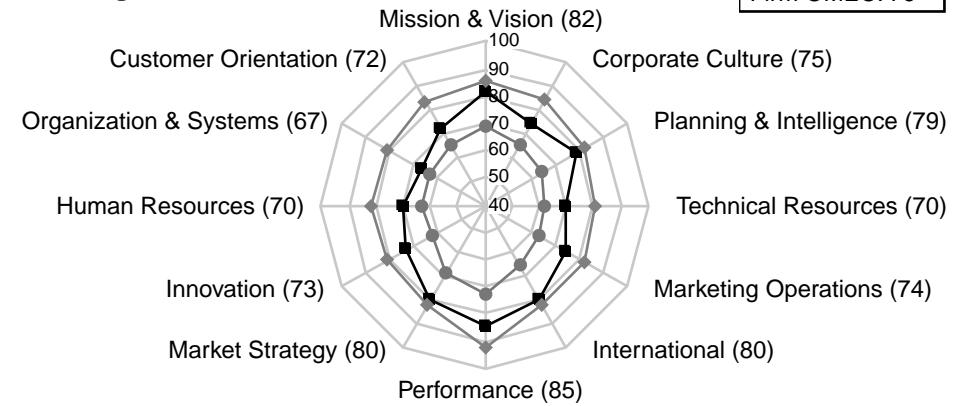
Nokia

Firm OMEC: 83



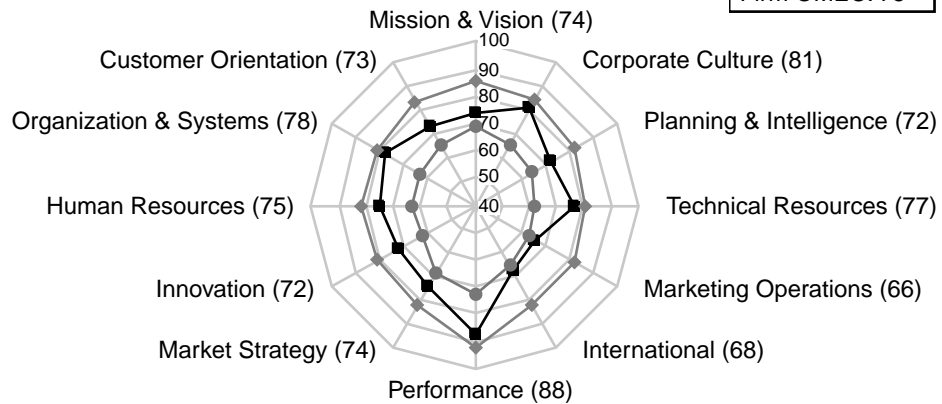
Schering AG

Firm OMEC: 76



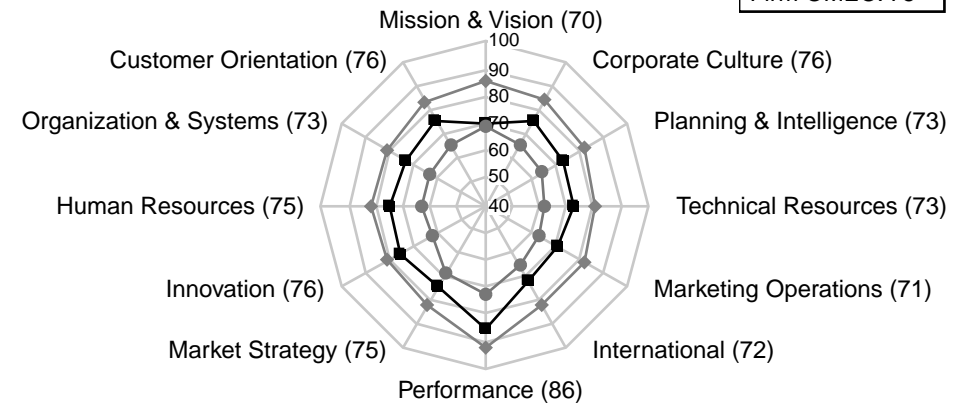
General Electric

Firm OMEC: 75

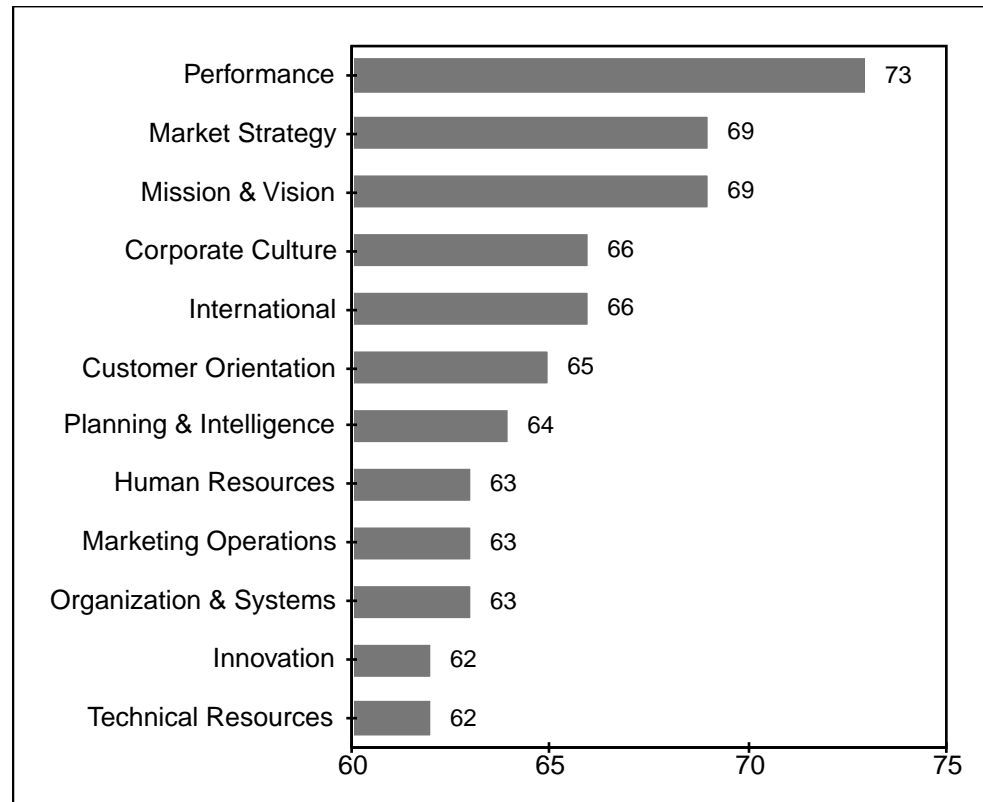


ST Microelectronics

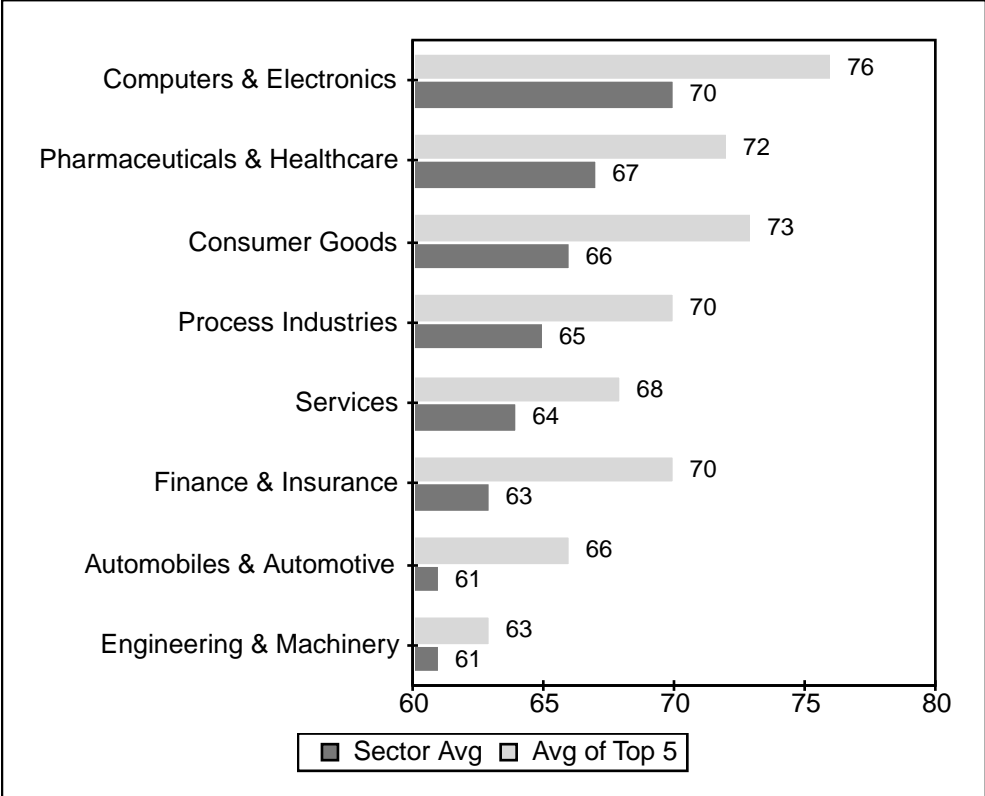
Firm OMEC: 75



OMEC CAPABILITY RATINGS



SECTOR AVERAGE VS AVERAGE OF TOP 5 FIRMS BY SECTOR



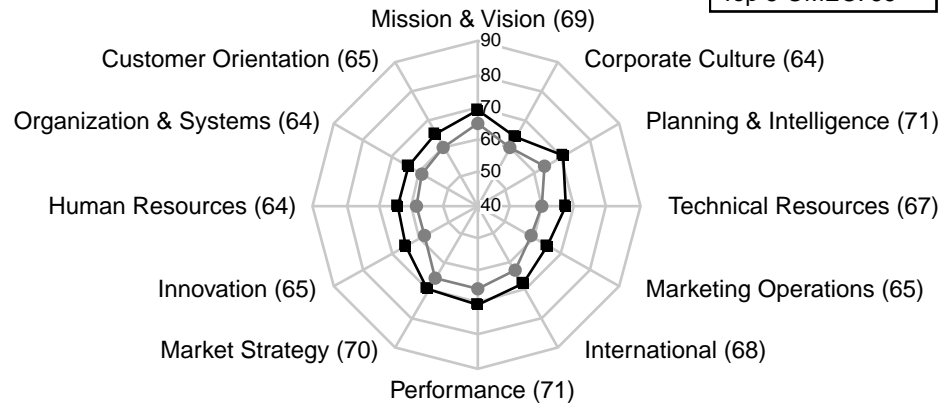
SECTOR TOP 5 AVERAGE VERSUS SECTOR AVERAGE

■ Sector Top5 Average ● Sector Average

Values in brackets represent Top 5 Averages

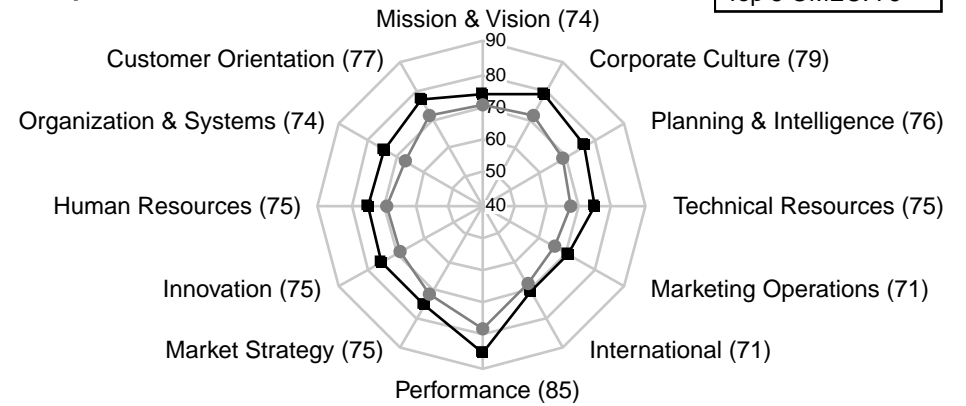
Automobiles & Automotive

Top 5 OMEC: 66



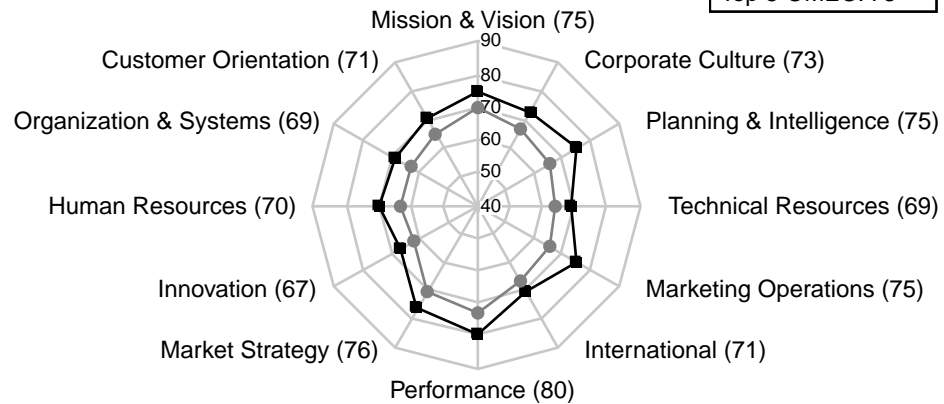
Computers & Electronics

Top 5 OMEC: 76



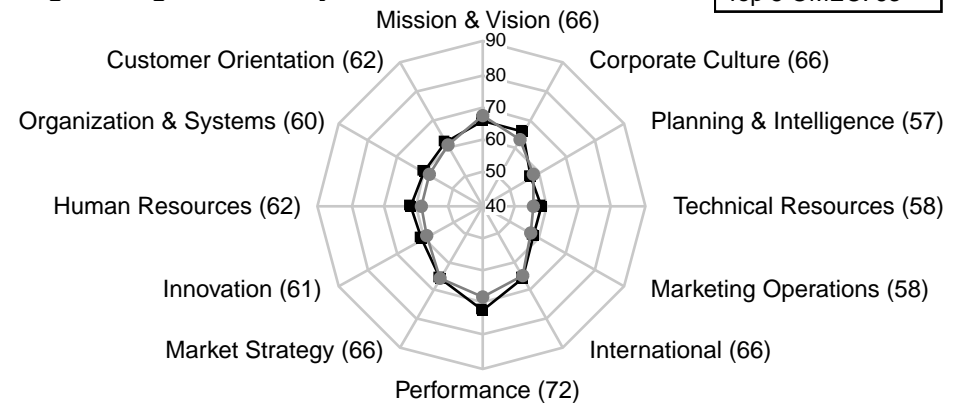
Consumer Goods

Top 5 OMEC: 73



Engineering & Machinery

Top 5 OMEC: 63



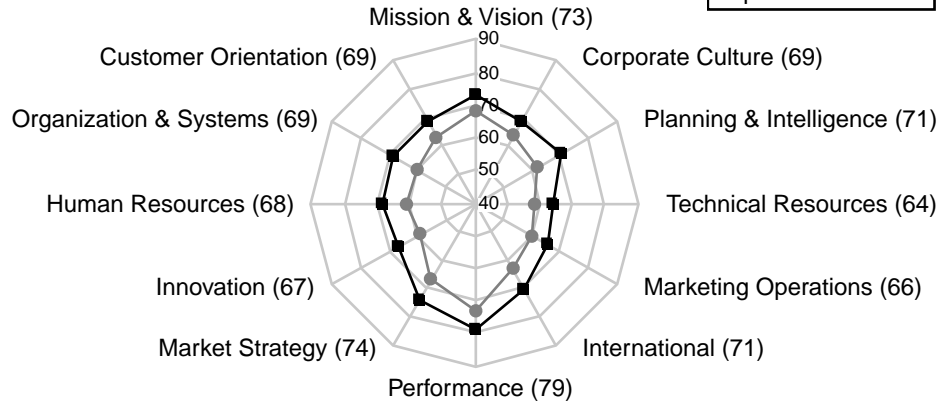
SECTOR TOP 5 AVERAGE VERSUS SECTOR AVERAGE

■ Sector Top5 Average ● Sector Average

Values in brackets represent Top 5 Averages

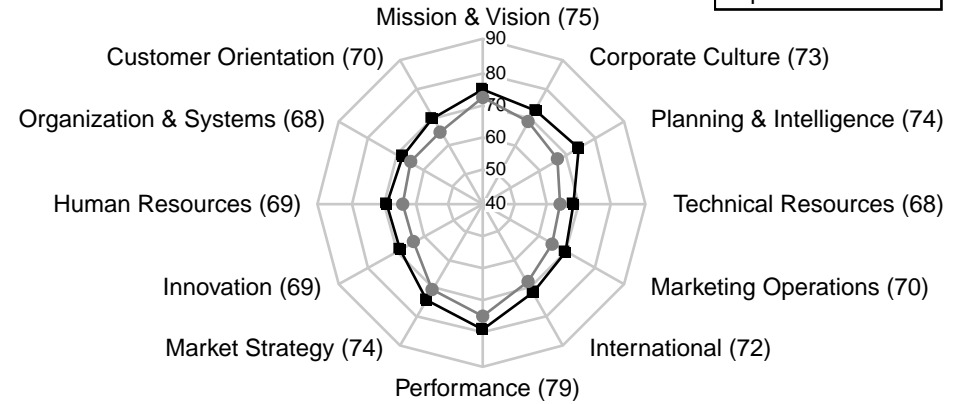
Finance & Insurance

Top 5 OMEC: 70



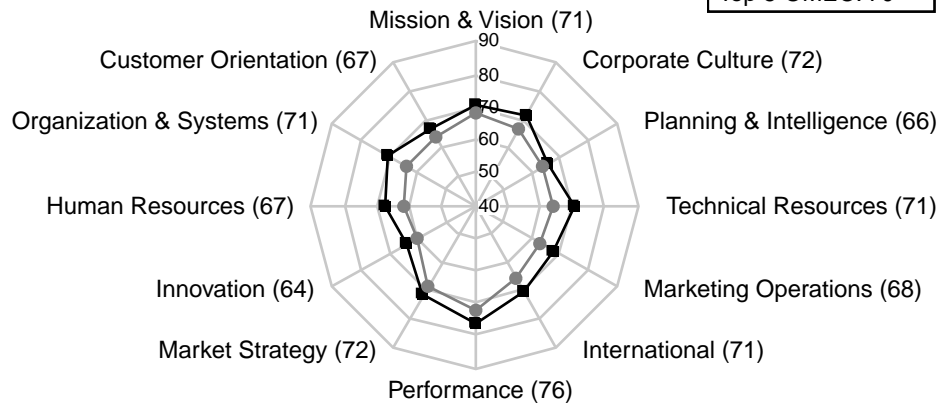
Pharmaceuticals & Healthcare

Top 5 OMEC: 72



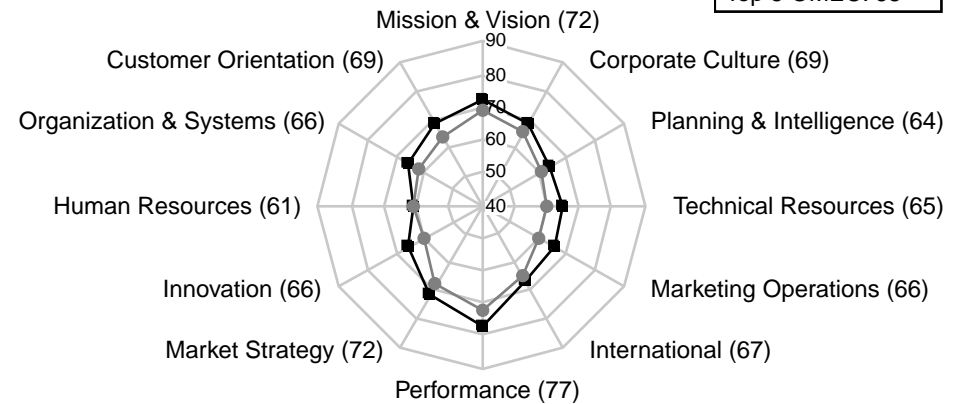
Process Industries

Top 5 OMEC: 70



Services

Top 5 OMEC: 68



THE BEST FIRMS IN GLOBAL STUDY 2001

2001 OMEC Rating	Firm	2001 OMEC Ranking	Sector	2001 Sector Ranking
83	Nokia	1	Computers & Electronics	1
76	Schering AG	2	Pharmaceuticals & Healthcare	1
75	General Electric	3	Computers & Electronics	2
75	ST Microelectronics	3	Computers & Electronics	2
74	Exxon Mobil	5	Process Industries	1
74	Henkel	5	Consumer Goods	1
74	IBM	5	Computers & Electronics	4
74	Siemens	5	Computers & Electronics	4
73	Diageo	9	Consumer Goods	2
73	Eli Lilly	9	Pharmaceuticals & Healthcare	2
73	Heineken	9	Consumer Goods	2
73	L'Oreal	9	Consumer Goods	2
72	BNP Paribas	13	Finance & Insurance	1
72	Danfoss	13	Computers & Electronics	6
72	Hewlett-Packard	13	Computers & Electronics	6
72	Philip Morris	13	Consumer Goods	5
71	Lufthansa	17	Services	1
71	SmithKline Beecham	17	Pharmaceuticals & Healthcare	3
71	Swiss Re	17	Finance & Insurance	2
71	Xerox	17	Computers & Electronics	8
70	Credit Suisse Group	21	Finance & Insurance	3
70	Pearson	21	Services	2
70	Pharmacia	21	Pharmaceuticals & Healthcare	4
70	Philips Electronics	21	Computers & Electronics	9
70	Renault	21	Automobiles & Automotive	1
70	Schlumberger	21	Computers & Electronics	9
69	AstraZeneca	27	Pharmaceuticals & Healthcare	5
69	Ciba Specialty Chemicals	27	Process Industries	2
69	Compaq	27	Computers & Electronics	11
69	Dow Chemical	27	Process Industries	2

THE BEST FIRMS IN GLOBAL STUDY 2001 (CONTD.)

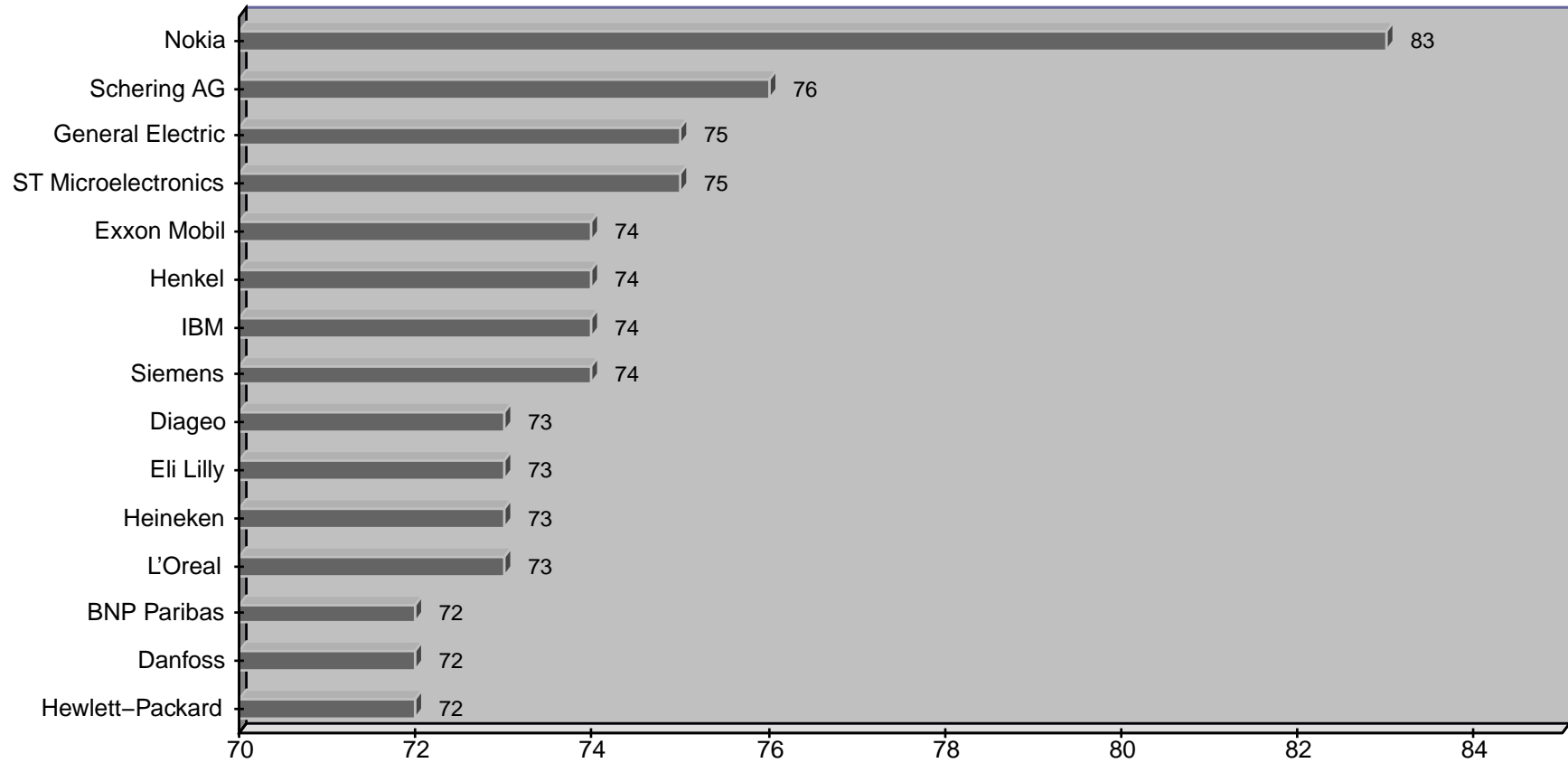
2001 OMEC Rating	Firm	2001 OMEC Ranking	Sector	2001 Sector Ranking
69	Johnson & Johnson	27	Pharmaceuticals & Healthcare	5
68	Allied Irish Banks	32	Finance & Insurance	4
68	DaimlerChrysler	32	Automobiles & Automotive	2
68	GlaxoSmithKline	32	Pharmaceuticals & Healthcare	7
68	Ineos	32	Process Industries	4
68	Novo	32	Pharmaceuticals & Healthcare	7
68	Oracle	32	Computers & Electronics	12
68	Pfizer	32	Pharmaceuticals & Healthcare	7
68	Reckitt Benckiser	32	Consumer Goods	6
68	UBS	32	Finance & Insurance	4
68	UPM-Kymmene	32	Process Industries	4
68	Vivendi Universal	32	Services	3
67	Allianz	43	Finance & Insurance	6
67	Allied Domecq	43	Consumer Goods	7
67	Bestfoods	43	Consumer Goods	7
67	Cadbury Schweppes	43	Consumer Goods	7
67	Citigroup	43	Finance & Insurance	6
67	Ericsson (L.M.)	43	Computers & Electronics	13
67	Lafarge	43	Process Industries	6
66	Akzo Nobel	50	Process Industries	7
66	Alcatel	50	Computers & Electronics	14
66	American International Group	50	Finance & Insurance	8
66	DHL Worldwide Express	50	Services	4
66	Deutsche Bank	50	Finance & Insurance	8
66	Eastman Kodak	50	Consumer Goods	10
66	General Motors	50	Automobiles & Automotive	3
66	Honeywell International	50	Computers & Electronics	14
66	Lucent Technologies	50	Computers & Electronics	14
66	Schwarz Pharma	50	Pharmaceuticals & Healthcare	10
66	Unilever	50	Consumer Goods	10

THE BEST FIRMS IN GLOBAL STUDY 2001 (CONTD.)

2001 OMEC Rating	Firm	2001 OMEC Ranking	Sector	2001 Sector Ranking
66	Valeo	50	Automobiles & Automotive	3
65	Accor	62	Services	5
65	Bayer	62	Process Industries	8
65	FMC	62	Process Industries	8
65	Procter & Gamble	62	Consumer Goods	12
65	Royal Dutch/Shell	62	Process Industries	8
65	TDC Group	62	Services	5

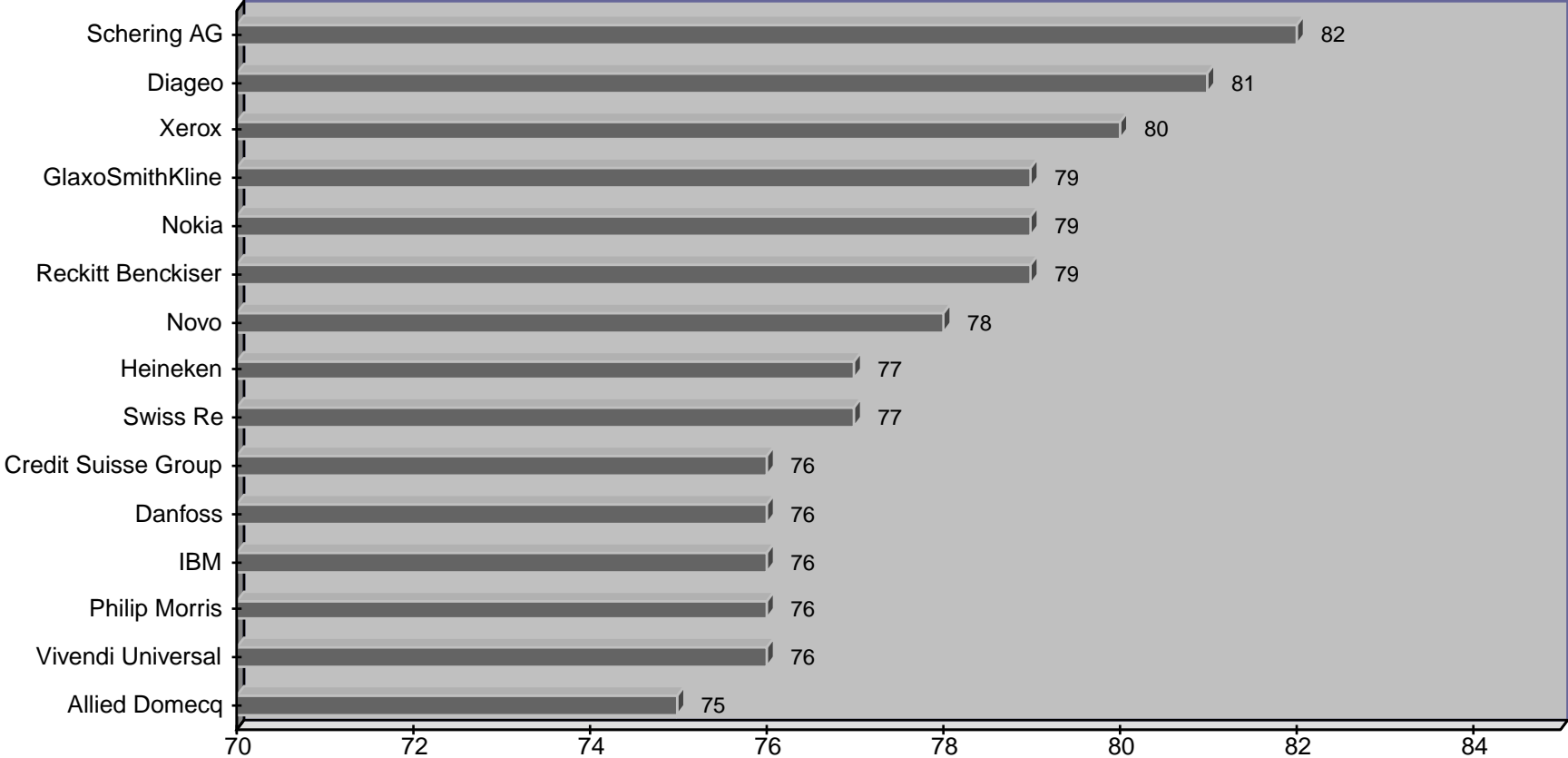
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

OMEC



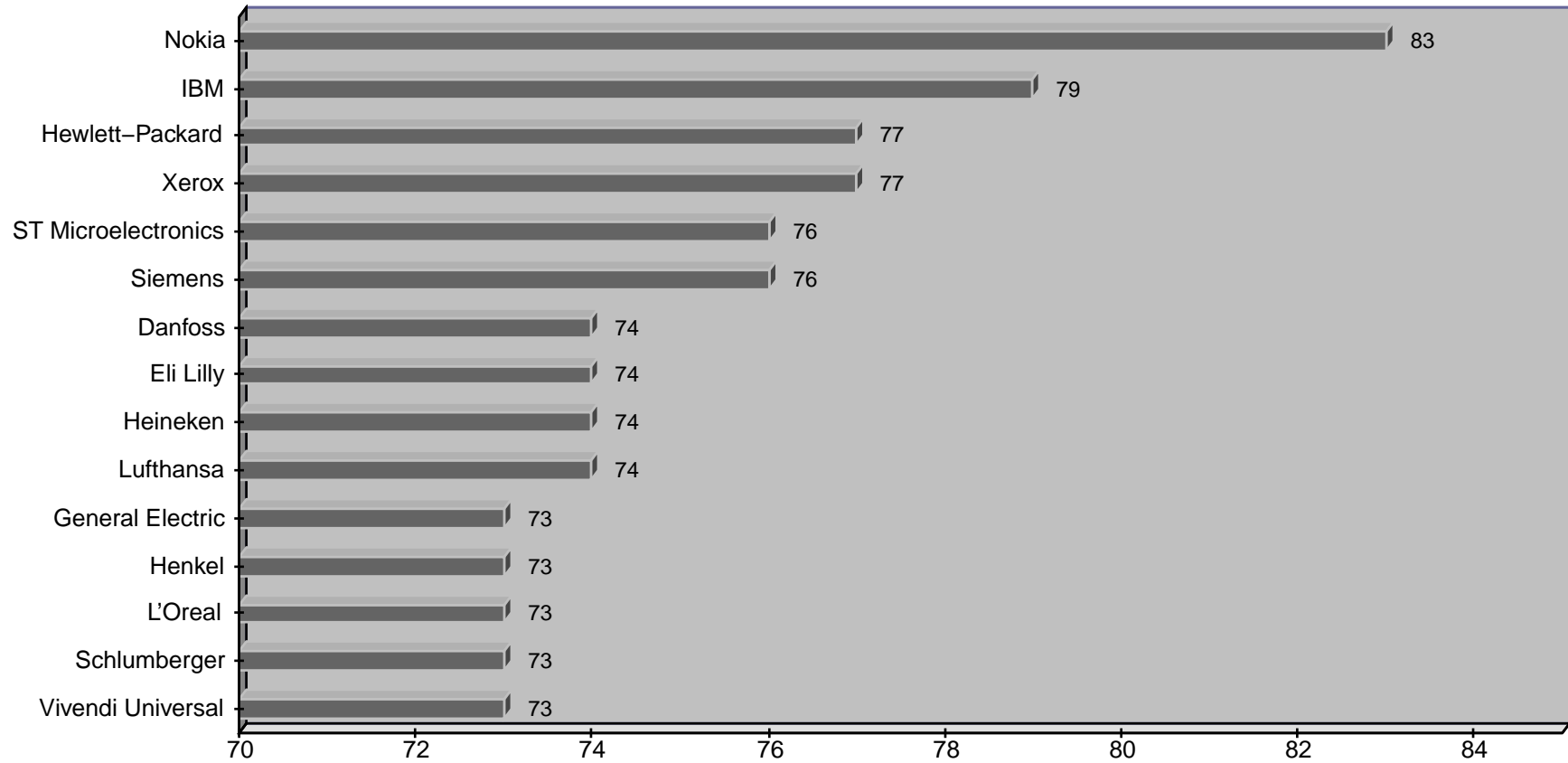
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Mission & Vision



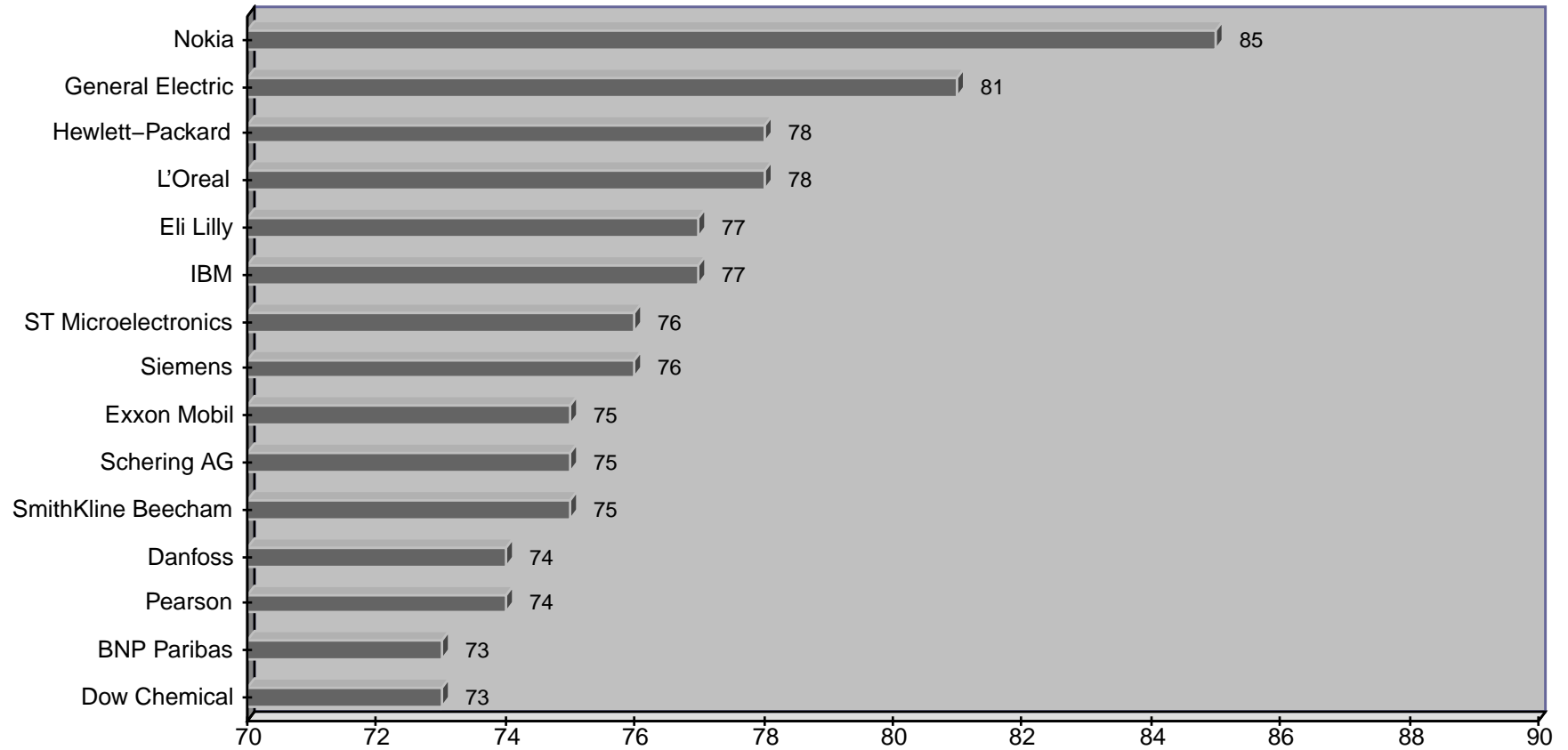
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Customer Orientation



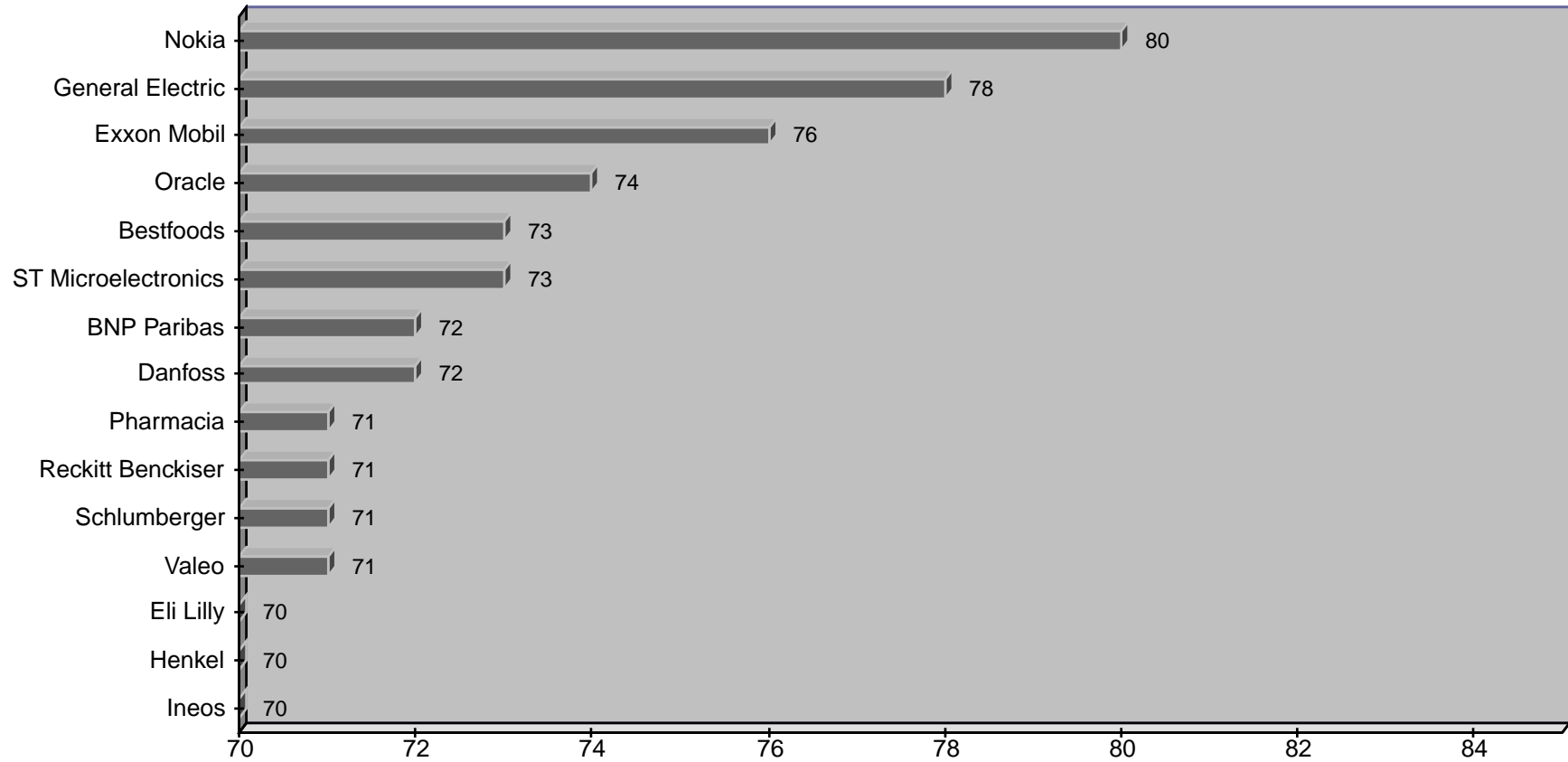
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Corporate Culture



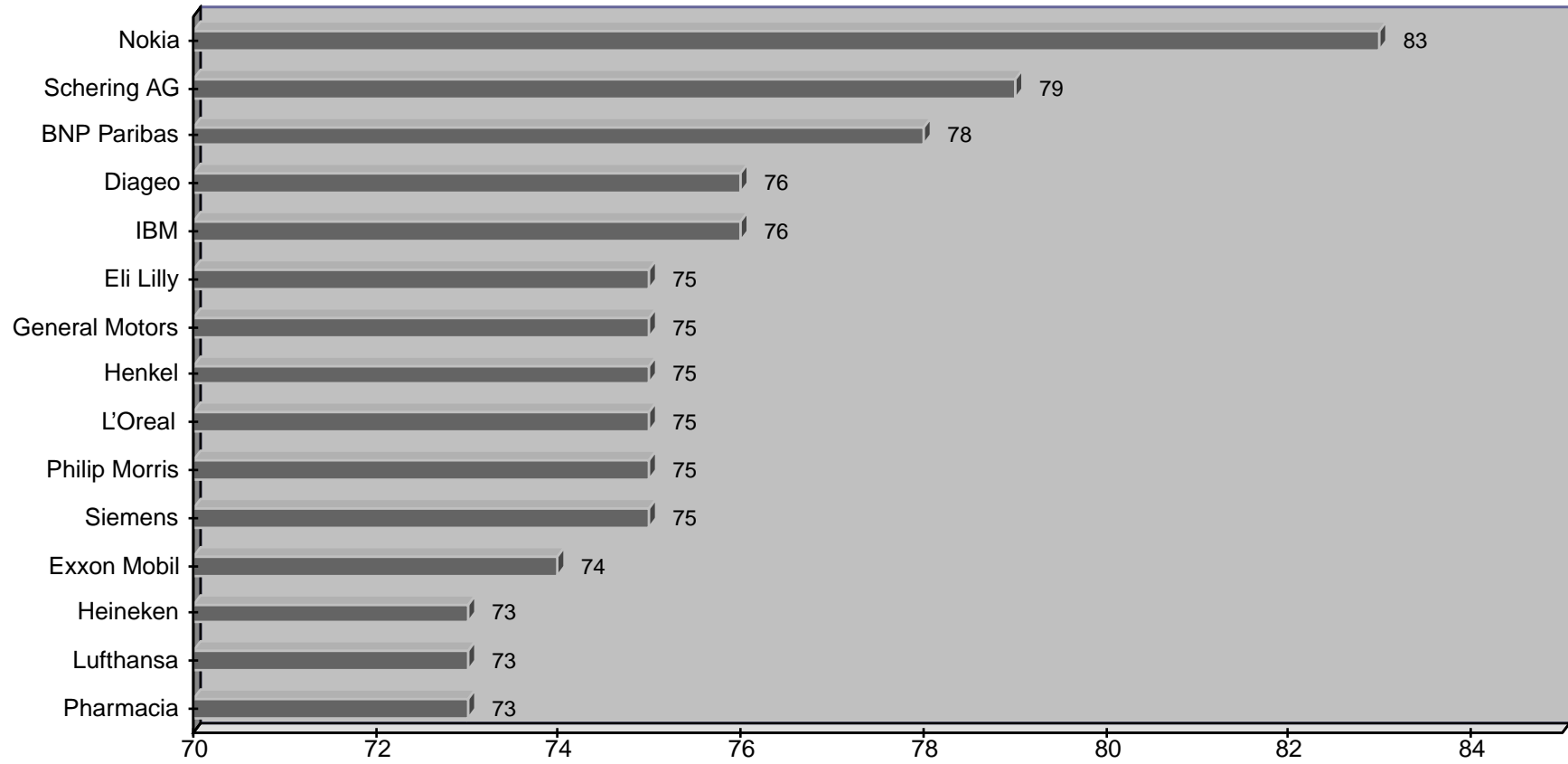
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Organization & Systems



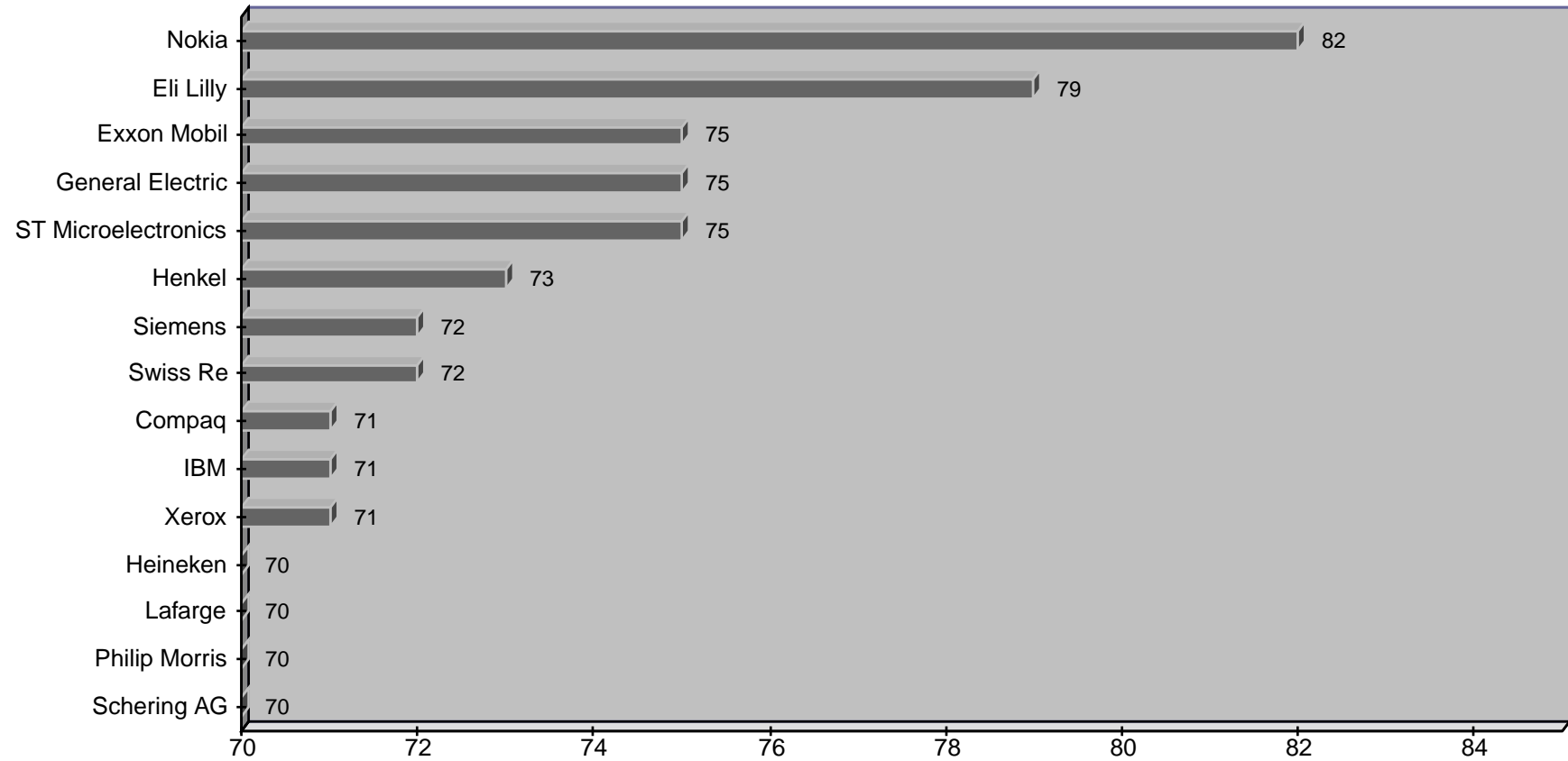
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Planning & Intelligence



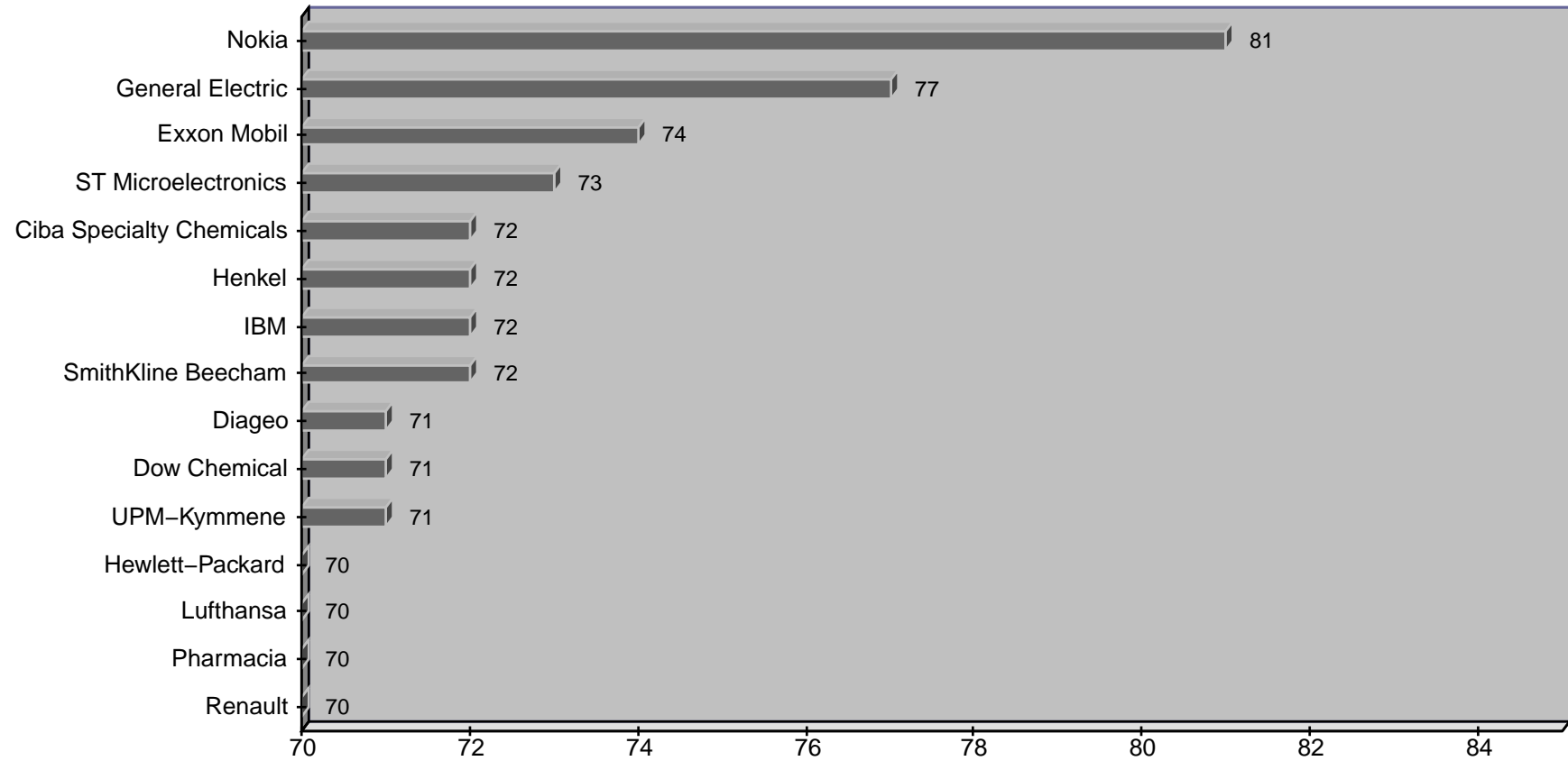
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Human Resources



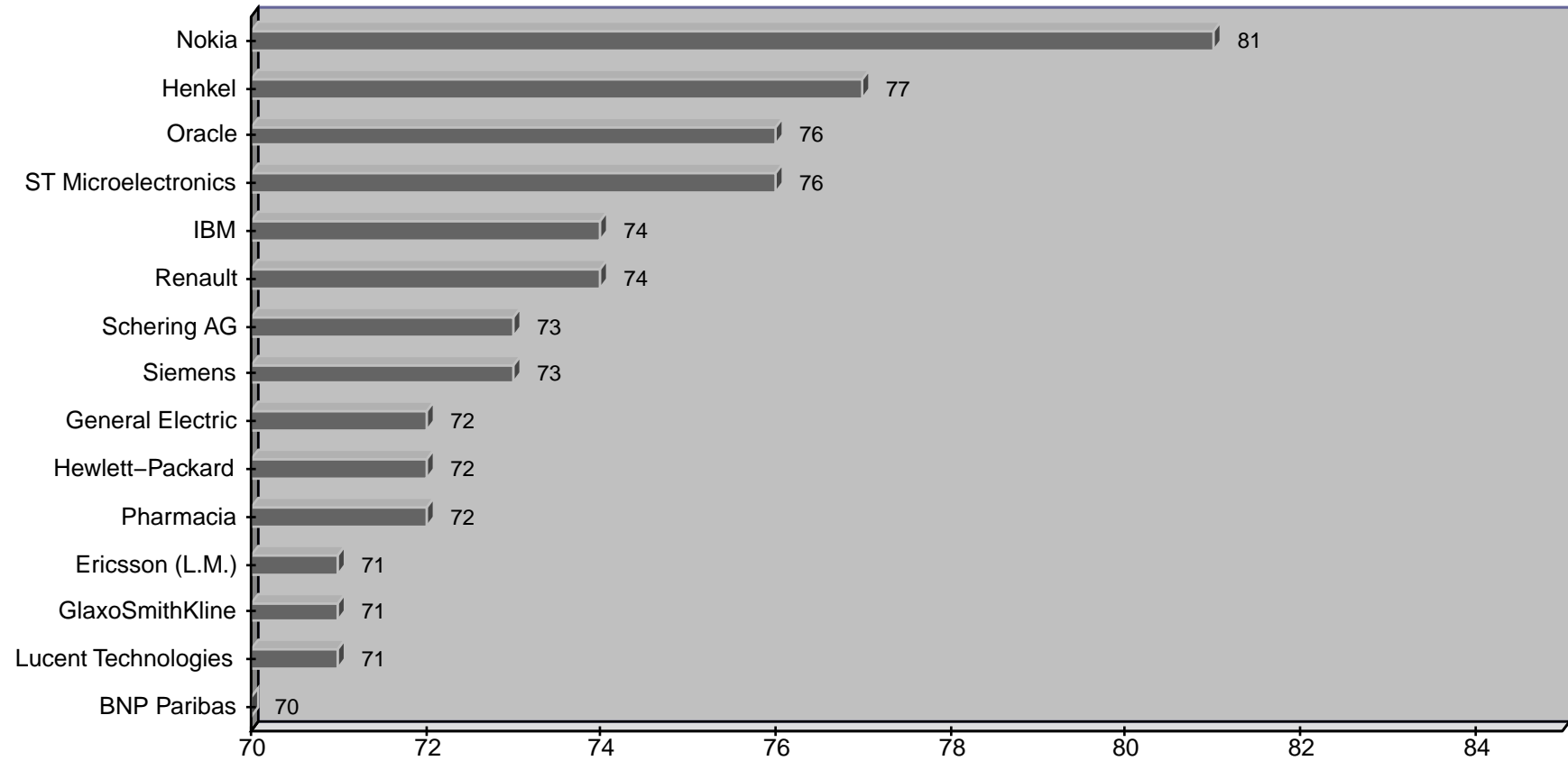
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Technical Resources



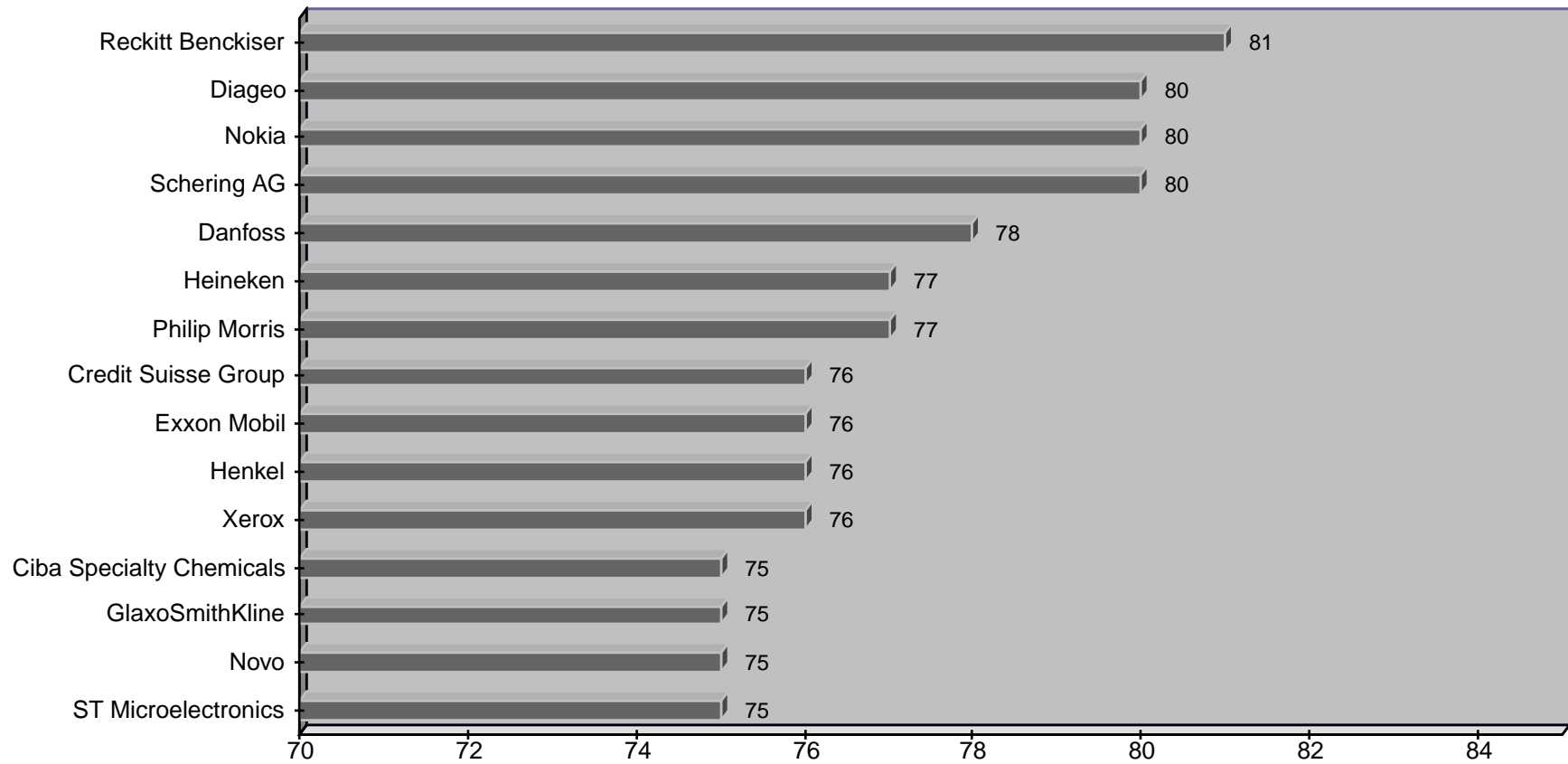
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Innovation



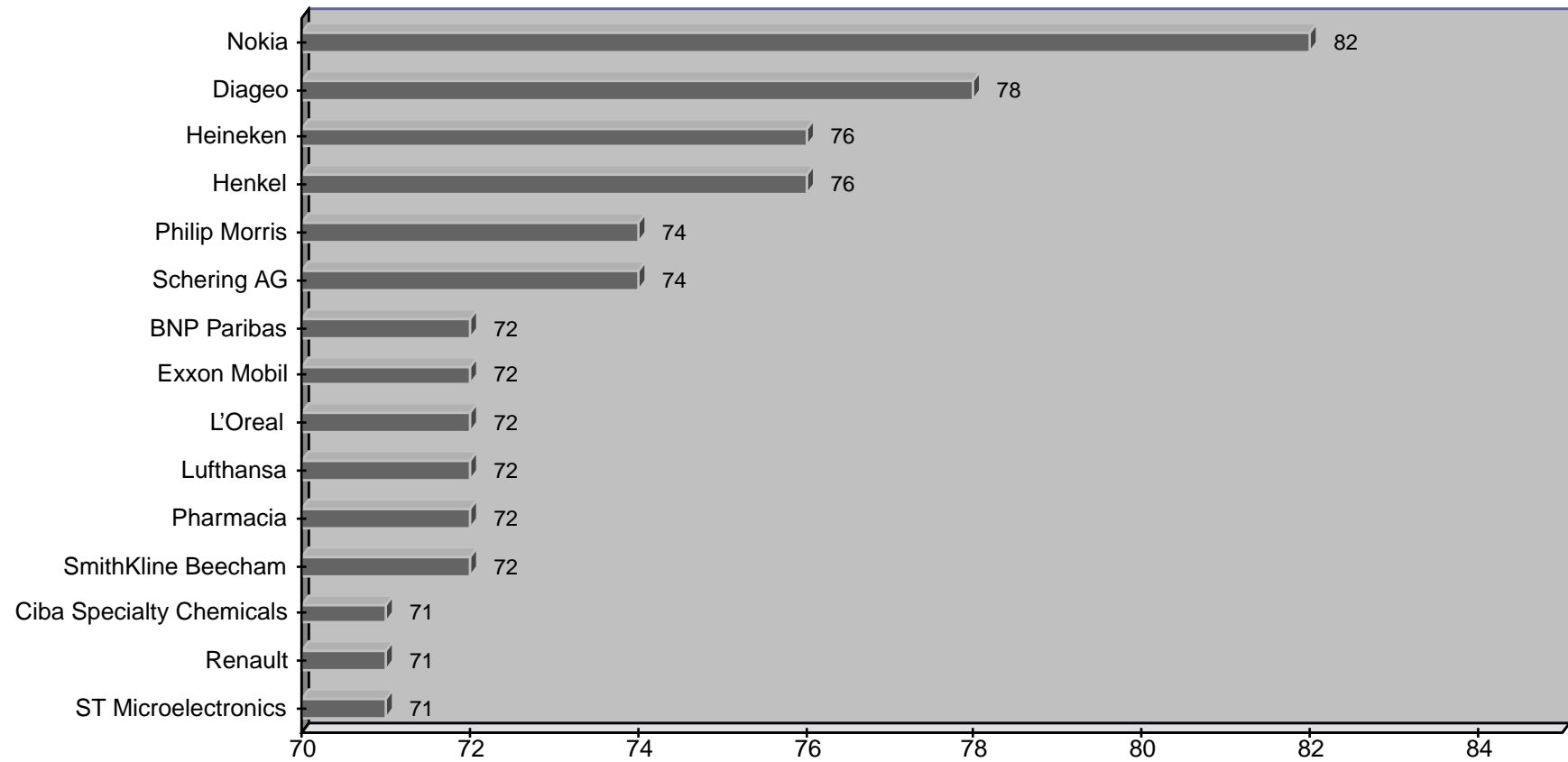
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Market Strategy



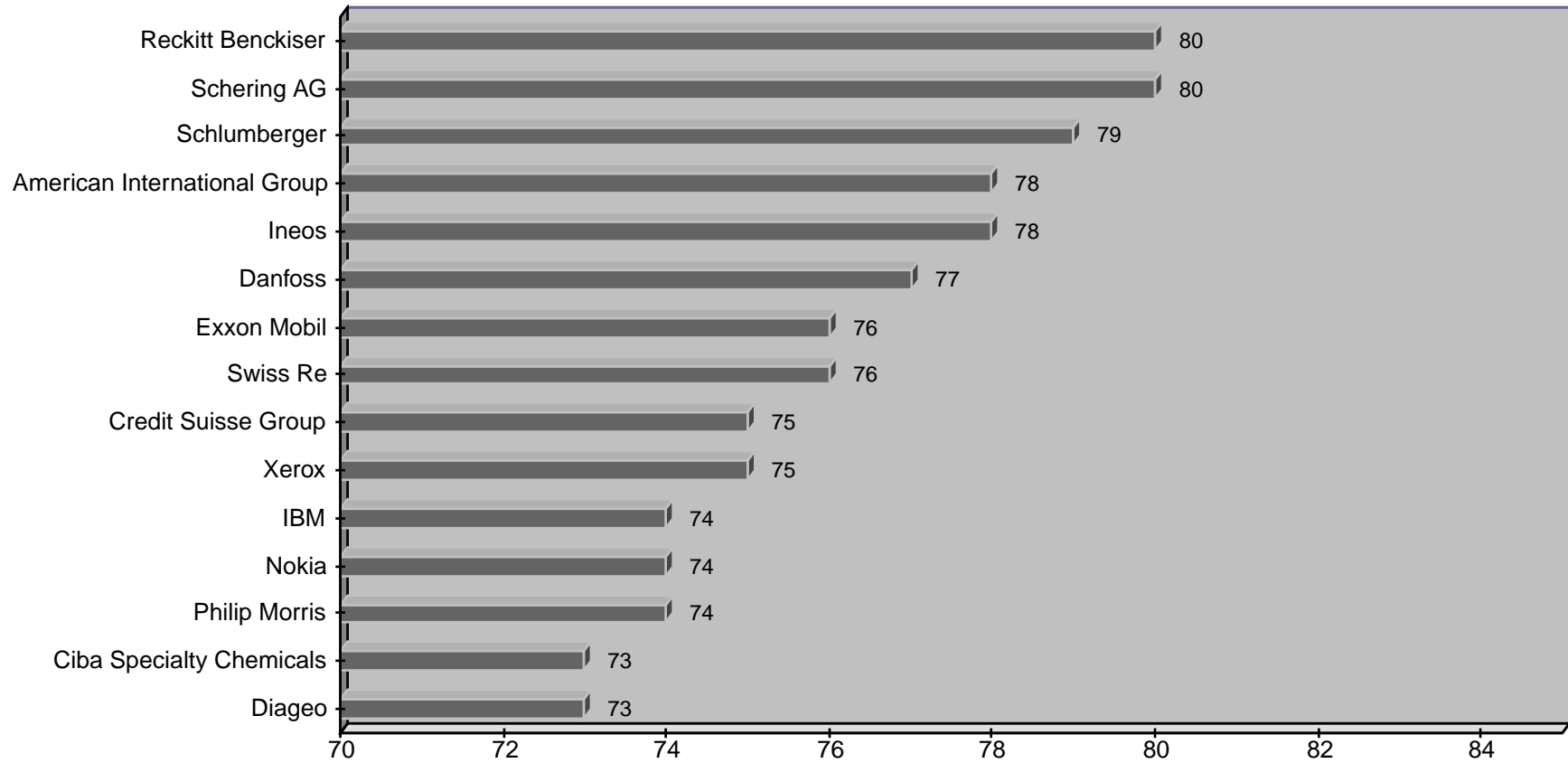
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Marketing Operations



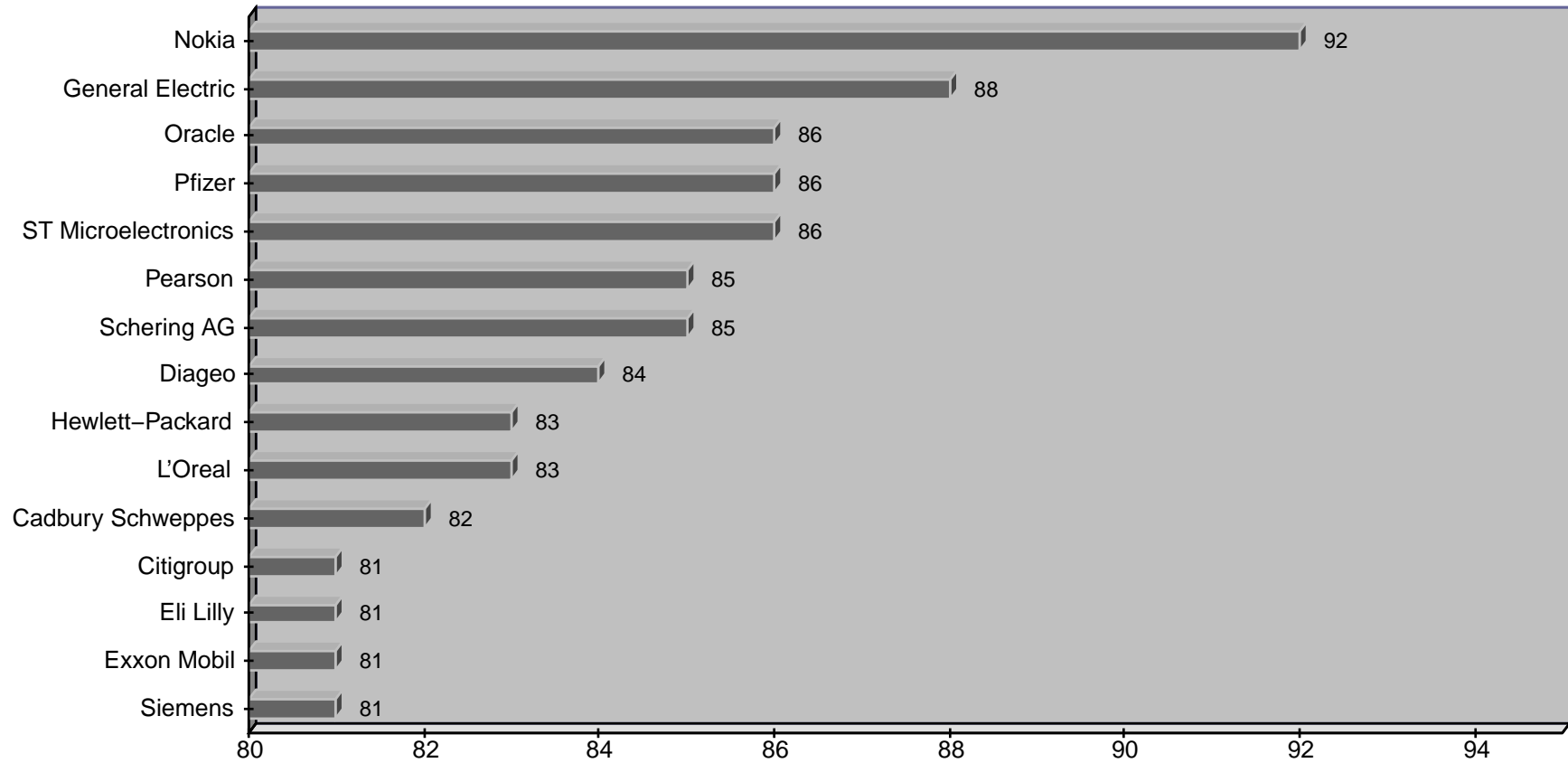
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

International



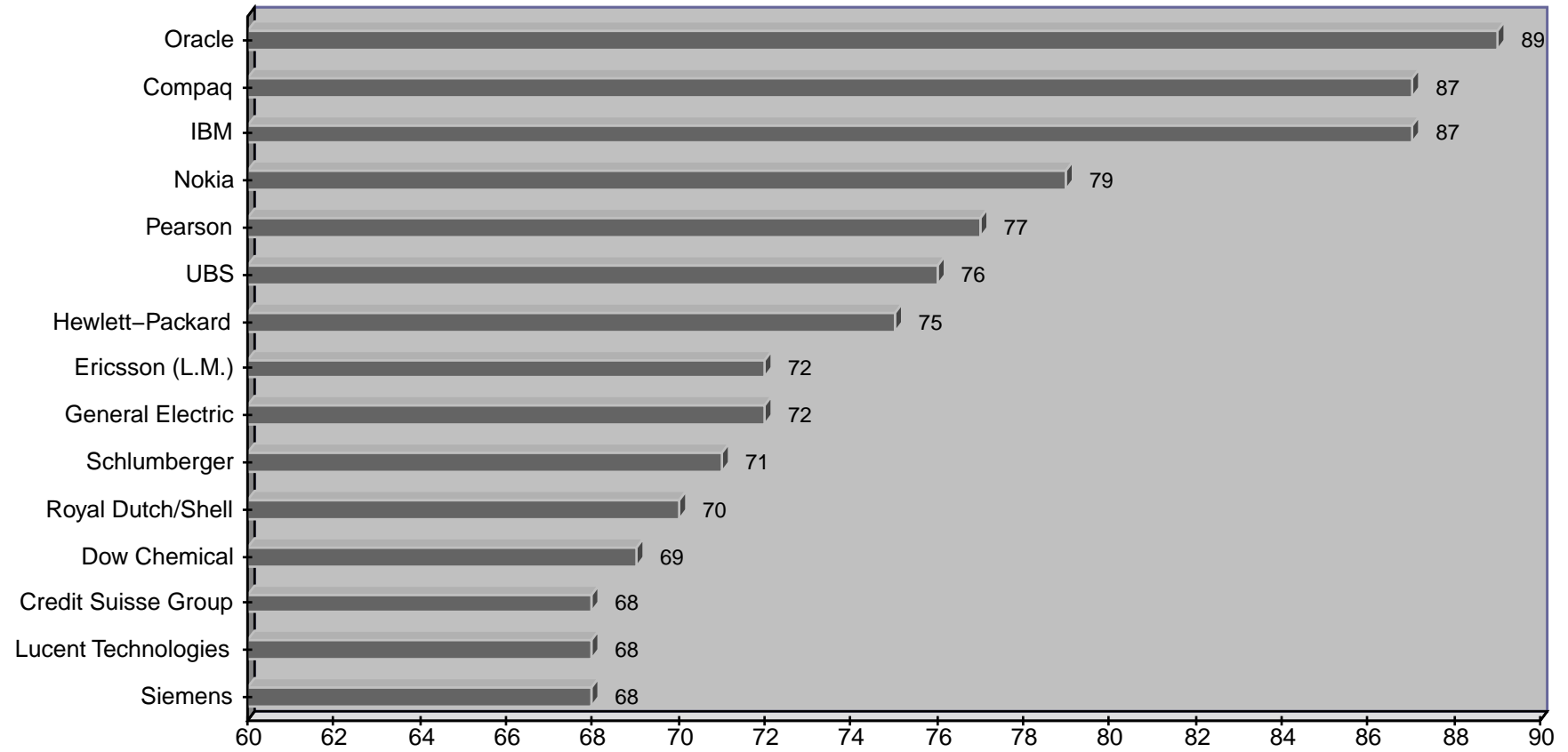
CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

Performance



CAPABILITY LEADERS IN CORPORATE COMPETITIVE FITNESS

E-Business



INDICATORS OF CORPORATE COMPETITIVE FITNESS

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
1	Future financial performance	81	81	0
1	Present financial strength	81	80	+1
3	Monitoring of results relative to plans	80	76	+4
4	Strong will to improve	79	78	+1
5	Market effectiveness as priority	77	74	+3
5	Quality of products & services	77	78	-1
7	Availability of financial resources	76	79	-3
7	Employees proud of products offered	76	76	0
9	Demonstrated ability to adapt	75	74	+1
9	Targeting of profitable segments	75	73	+2
9	Delivering high quality products	75	75	0
9	Customers' needs as priority	75	73	+2
9	Expected future growth	75	74	+1
14	Exciting workplace in future	74	76	-2
14	Tracking of regulatory changes	74	70	+4
16	Shared mission	73	70	+3
16	Regularity of employee feedback	73	68	+5
16	Common organizational language	73	76	-3
19	Clear firm objectives	72	73	-1
19	Social responsibility of firm	72	74	-2
19	Employee commitment	72	70	+2
19	Market segmentation strategies	72	73	-1
19	Pursuing customer retention	72	63	+9

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
24	Present competitive position	71	71	0
24	Monitoring of competitive activities	71	64	+7
24	Quality of company image	71	71	0
24	Confidence in firm's ability to improve	71	69	+2
24	Shared drive for improvement	71	71	0
24	Focus on key countries	71	76	-5
24	Marketing actions in line with strategy	71	71	0
31	Passion for work	70	71	-1
31	Collecting customer information	70	66	+4
31	Confidence in actions for improvement	70	70	0
31	Open communication	70	66	+4
35	Effective internal communication network	69	63	+6
35	Rationalizing product portfolio	69	70	-1
35	Commitment to budget targets	69	69	0
35	Effective long-term planning	69	69	0
35	Market share information available	69	75	-6
35	Focus on key products	69	70	-1
35	Segment growth information available	69	64	+5
35	Coherence of strategy/planning budget	69	69	0
43	Past intensity of new product intro.	68	63	+5
43	Admired by others	68	69	-1
43	Encourage employee contribution	68	67	+1
43	Balanced product portfolio	68	70	-2

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
43	Managers' realism	68	66	+2
48	Customer orientation by competitors	67	67	0
48	Care of employees	67	67	0
48	Past performance relative to competitors	67	66	+1
48	Customer satisfaction top priority	67	66	+1
48	Confidence in knowing how to improve	67	69	-2
48	Complaints system	67	68	-1
48	Fairly priced products	67	67	0
48	Firm's market influence	67	62	+5
56	Strategic fit	66	67	-1
56	Environmental scanning	66	61	+5
56	Awareness of market indicators	66	66	0
56	Team spirit	66	64	+2
60	Cross-functional teamwork	65	68	-3
60	Service recovery	65	64	+1
60	Scoreboard monitoring	65	63	+2
60	Sufficient marketing resources	65	64	+1
60	Teamwork between marketing and sales	65	65	0
60	Price competitiveness	65	61	+4
60	Clarity of structure and roles	65	63	+2
67	Quality of managers	64	64	0
67	Awareness of customer needs	64	62	+2
67	Future intensity of new product intro.	64	63	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
67	Clarity of personnel policies	64	62	+2
67	Recognition for marketing effectiveness	64	64	0
67	Strength of sales force	64	60	+4
67	Understanding corporate challenges	64	65	-1
67	Clear strategic direction	64	63	+1
67	Willingness to change	64	66	-2
76	Practicing innovative marketing	63	57	+6
76	Existence of common culture	63	63	0
76	Clarity of mgt evaluation process	63	62	+1
79	R&D effectiveness	62	60	+2
79	New product development process	62	67	-5
79	Pro-activeness of R&D	62	62	0
79	Cooperation between Mktg. and Ops.	62	59	+3
79	Market orientation of operations	62	60	+2
79	Intl. input to product development	62	60	+2
79	Operational capacity	62	66	-4
86	Use of business consultants	61	61	0
86	Diversity of recruitment	61	62	-1
86	Strength of distribution	61	64	-3
86	Cost competitiveness of firm	61	60	+1
86	Telephone operators	61	61	0
86	Competitive spirit of employees	61	62	-1
86	New employee training	61	56	+5

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
86	Effectiveness of market research	61	62	-1
94	Quality of marketing talent	60	61	-1
94	International perspective	60	55	+5
94	Resource allocation process	60	58	+2
94	Benchmarking of competitive productivity	60	59	+1
94	IT for interaction	60	60	0
94	International market synergies	60	57	+3
100	Speed of decision making	59	60	-1
100	Product performance information	59	68	-9
100	Entrepreneurial spirit of managers	59	60	-1
100	Evaluation of opportunities	59	54	+5
100	Cost effectiveness of expenditures	59	57	+2
100	Measuring customer satisfaction	59	60	-1
100	Speed of response to market shifts	59	56	+3
100	Understanding of strengths & weaknesses	59	58	+1
100	Innovative drive	59	59	0
109	Effectiveness of purchasing	58	61	-3
109	Product differentiation	58	60	-2
109	R&D and marketing coordination	58	61	-3
109	Fit of organizational structure	58	59	-1
109	Employees' sense of security	58	57	+1
109	Quality of management training	58	56	+2
109	Effectiveness of recruitment process	58	57	+1

INDICATORS OF CORPORATE COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
109	Not wasting resources	58	60	-2
109	Resource allocation criteria	58	56	+2
118	Firm's agility over competition	57	56	+1
118	Use of market planning tools	57	55	+2
118	Effective supplier relationships	57	68	-11
121	Resource allocation effectiveness	56	59	-3
121	Effective information systems	56	53	+3
121	Innovative customer communication	56	55	+1
124	Coordinated product management	55	56	-1
124	Multi-cultural management	55	54	+1
124	Career development opportunities	55	56	-1
127	Managers' international experience	54	55	-1
127	Speed of new product development	54	56	-2
129	Benefits linked to market performance	53	54	-1
129	Lost customers tracking	53	52	+1
129	Management presence in the field	53	54	-1
132	Cust. satisf. measures widely available	52	57	-5
133	Support from headquarters	51	56	-5
134	Lifetime customer value	48	47	+1

OPTIMAL INDICATORS OF CORPORATE COMPETITIVE FITNESS

Ranking By 2001 Ratings

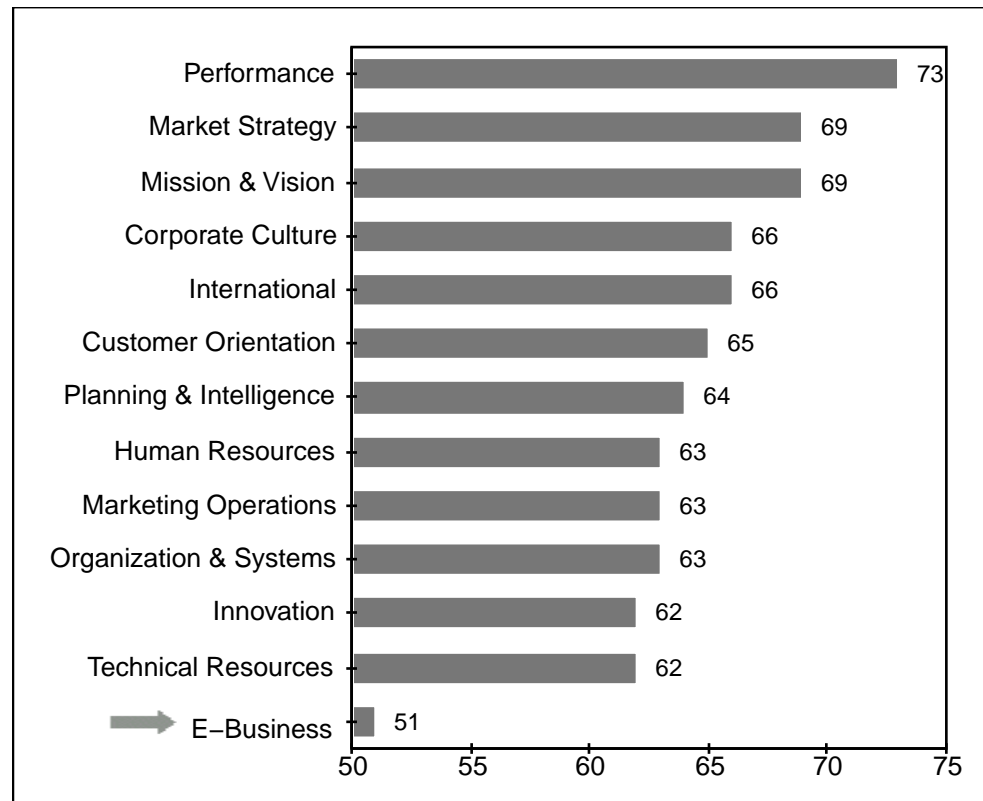
2001 Ranking		2001 Average	2000 Average	Change
1	Firm's objectives	56	62	-6
2	Product or service scope	55	56	-1
2	Market share objective	55	56	-1
4	Stability of top management	54	54	0
5	Autonomy of country managers	52	54	-2
5	Concentration on key prod. or services	52	55	-3
7	International scope	51	55	-4
8	International product standardization	49	48	+1
9	Profit consciousness of employees	46	50	-4
9	R&D spending	46	48	-2
9	Market growth as criterion	46	53	-7
12	Pay variability with performance	45	47	-2
13	Advertising expenditures	44	45	-1
14	Marketing influence	41	43	-2
14	Management training	41	41	0
16	Innovative external partnerships	40	43	-3
17	International coordination	37	41	-4

EVALUATION OF FIRM'S PORTFOLIO OF GLOBAL ACTIVITIES

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
1	North America	52	55	-3
2	Europe	50	53	-3
3	Latin America	41	44	-3
4	Africa	40	41	-1
4	Asia Pacific	40	43	-3

THE E-BUSINESS CAPABILITY



THE E-BUSINESS GLOBAL RATINGS

Rating	Firm	2001 Ranking	Sector
89	Oracle	1	Computers & Electronics
87	Compaq	2	Computers & Electronics
87	IBM	2	Computers & Electronics
79	Nokia	4	Computers & Electronics
77	Pearson	5	Services
76	UBS	6	Finance & Insurance
75	Hewlett-Packard	7	Computers & Electronics
72	Ericsson (L.M.)	8	Computers & Electronics
72	General Electric	8	Computers & Electronics
71	Schlumberger	10	Computers & Electronics
70	Royal Dutch/Shell	11	Process Industries
69	Dow Chemical	12	Process Industries
68	Credit Suisse Group	13	Finance & Insurance
68	Lucent Technologies	13	Computers & Electronics
68	Siemens	13	Computers & Electronics
67	Swiss Re	16	Finance & Insurance
66	Deutsche Bank	17	Finance & Insurance
66	Lufthansa	17	Services

E-BUSINESS INDICATORS OF COMPETITIVE FITNESS

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
1	Employees access to internet	74	-	-
2	Impact of e-technologies on internal communication	73	-	-
3	Project teams effectiveness through e-technologies	64	-	-
4	Culture modified due to e-technologies	63	-	-
5	Mgmt productivity increased by e-technologies	60	-	-
6	Resources committed to e-technology applications	57	-	-
7	Website updated daily	55	-	-
8	Business model impacted by e-technologies	54	-	-
8	Internet used to inform external world	54	-	-
8	Impact of e-technologies on company's image	54	-	-
11	Internal training on intranet	52	-	-
11	Effective purchasing activities through internet	52	-	-
13	Internet alliances with other firms	50	-	-
14	Product information on internet	49	-	-
14	Internally communicated internet strategy	49	-	-
16	Management training on internet potential	47	-	-
17	Internet as alternative distribution channel	46	-	-
18	Coherent international internet approach	44	-	-
18	Using internet to help specific user communities	44	-	-
18	New free services offered through internet	44	-	-
18	Creating separate entities to exploit internet	44	-	-
22	Internet used to increase customer loyalty	42	-	-
23	Two-way communication websites	41	-	-

E-BUSINESS INDICATORS OF COMPETITIVE FITNESS (CONTD.)

Ranking By 2001 Ratings

2001 Ranking		2001 Average	2000 Average	Change
23	Internet strategies for different customer groups	41	-	-
25	Customer support through internet	40	-	-
26	Internet used effectively for recruitment	38	-	-