i. Are they clearly stated, or merely implied from performance or budgets?
ii. Are they consistent with the corporation's mission, objectives, strategies, policies, and with internal and external environments?
iii. What is the role of technology in corporate performance?
iv. Is the mix of basic, applied, and engineering research appropriate given the corporate mission and strategies?
v. Does R&D provide the company with a competitive advantage?

b. What return is the corporation receiving from its investment in R&D?
c. Is the corporation competent in technology transfer? Does it use concurrent engineering and cross-functional work teams in product and process design?
d. What role does technological discontinuity play in the company's products?
e. How well does the corporation's investment in R&D compare with the investments of similar corporations? How much R&D is being outsourced?
f. Does R&D adjust to the conditions in each country in which the company operates?
g. What is the role of the R&D manager in the strategic management process?

4. **Operations and Logistics**

a. What are the corporation's current manufacturing/service objectives, strategies, policies, and programs?
i. Are they clearly stated, or merely implied from performance or budgets?
ii. Are they consistent with the corporation's mission, objectives, strategies, policies, and with internal and external environments?

b. What is the type and extent of operations capabilities of the corporation? How much is done domestically versus internationally? Is the amount of outsourcing appropriate to be competitive? Is purchasing being handled appropriately?
i. If the corporation is product-oriented, consider plant facilities, type of manufacturing system (continuous mass production, intermittent job shop, or flexible manufacturing), age and type of equipment, degree and role of automation or robots, plant capacities and utilization, productivity ratings, availability and type of transportation.
ii. If the corporation is service-oriented, consider service facilities (hospital, theater, or school buildings), type of operations systems (continuous service over time to same clientele or intermittent service over time to varied clientele), age and type of supporting equipment, degree and role of automation and use of mass communication devices (diagnostic machinery, computers), facility capacities and utilization rates, efficiency ratings of professional and service personnel, and availability and type of transportation to bring service staff and clientele together.

c. Are manufacturing or service facilities vulnerable to natural disasters, local or national strikes, reduction or limitation of resources from suppliers, substantial cost increases of materials, or nationalization by governments?
d. Is there an appropriate mix of people and machines (in manufacturing firms) or of support staff to professionals (in service firms)?
e. How well does the corporation perform relative to the competition? Is it balancing inventory costs (warehousing) with logistical costs (just-in-time)? Consider costs per unit of labor, material, and overhead; downtime; inventory control management and scheduling of service staff; production ratings; facility utilization percentages; and number of clients successfully treated by category (if service firm) or percentage of orders shipped on time (if product firm).
i. What trends emerge from this analysis?
ii. What was the impact of these trends on past performance and how might these trends affect future performance?
iii. Does this analysis support the corporation's past and pending strategic decisions?
iv. Does operations provide the company with a competitive advantage?

f. Are operations managers using appropriate concepts and techniques to evaluate and improve current performance? Consider cost systems, quality control and reliability systems, inventory control management, personnel scheduling, TQM, learning curves, safety programs, and engineering programs that can improve efficiency of manufacturing or of service.
g. Does operations adjust to the conditions in each country in which it has facilities?
h. What is the role of the operations manager in the strategic management process?

5. **Human Resources Management (HRM)**
   a. What are the corporation's current HRM objectives, strategies, policies, and programs?
      i. Are they clearly stated, or merely implied from performance or budgets?
      ii. Are they consistent with the corporation's mission, objectives, strategies, policies, and with internal and external environments?
   b. How well is the corporation's HRM performing in terms of improving the fit between the individual employee and the job? Consider turnover, grievances, strikes, layoffs, employee training, and quality of work life.
      i. What trends emerge from this analysis?
      ii. What was the impact of these trends on past performance and how might these trends affect future performance?
      iii. Does this analysis support the corporation's past and pending strategic decisions?
      iv. Does HRM provide the company with a competitive advantage?
   c. How does this corporation's HRM performance compare with that of similar corporations?
   d. Are HRM managers using appropriate concepts and techniques to evaluate and improve corporate performance? Consider the job analysis program, performance appraisal system, up-to-date job descriptions, training and development programs, attitude surveys, job design programs, quality of relationship with unions, and use of autonomous work teams.
   e. How well is the company managing the diversity of its workforce? What is the company's record on human rights?
   f. Does HRM adjust to the conditions in each country in which the company operates? Does the company have a code of conduct for HRM in developing nations? Are employees receiving international assignments to prepare them for managerial positions?
   g. What is the role of the HRM manager in the strategic management process?
6. **Information Systems (IS)**
   a. What are the corporation's current IS objectives, strategies, policies, and programs?
      i. Are they clearly stated, or merely implied from performance or budgets?
      ii. Are they consistent with the corporation's mission, objectives, strategies, policies, and with internal and external environments?
   b. How well is the corporation's IS performing in terms of providing a useful database, automating routine clerical operations, assisting managers in making routine decisions, and providing information necessary for strategic decisions?
      i. What trends emerge from this analysis?
      ii. What was the impact of these trends on past performance and how might these trends affect future performance?
      ii. Does this analysis support the corporation's past and pending strategic decisions?
      iv. Does IS provide the company with a competitive advantage?
   c. How does this corporation's IS performance and stage of development compare with that of similar corporations? Is it appropriately using the Internet, intranet, and extranets?
   d. Are IS managers using appropriate concepts and techniques to evaluate and improve corporate performance? Do they know how to build and manage a complex database, establish Web sites with firewalls, conduct system analyses, and implement interactive decision-support systems?

e. Does the company have a global IS and Internet presence? Does it have difficulty with getting data across national boundaries?
f. What is the role of the IS manager in the strategic management process?

D. Summary of Internal Factors (List in *IFAS Table 4.2, p. 72*)

Which of these factors are core competencies? Which, if any, are distinctive competencies? Which of these factors are the most important to the corporation and to the industries in which it competes at the present time? Which might be important in the future? Which activities or functions are candidates for outsourcing?

V. ANALYSIS OF STRATEGIC FACTORS (SWOT)

A. Situational Analysis (*List in SFAS Matrix, Fig. 5.1, p. 79*)

What are the most important internal and external factors (Strengths, Weaknesses, Opportunities, Threats) that strongly affect the corporation's present and future performance?

B. Review of Mission and Objectives

1. Are the current mission and objectives appropriate in light of the key strategic factors and problems?
2. Should the mission and objectives be changed? If so, how?
3. If changed, what will be the effects on the firm?

VI. STRATEGIC ALTERNATIVES AND RECOMMENDED STRATEGY

A. Strategic Alternatives (*See TOWS Matrix, Fig. 5.2, p. 82*)

1. Can the current or revised objectives be met by the simple, more careful implementing of those strategies presently in use (e.g., fine-tuning the strategies)?
2. What are the major feasible alternative strategies available to this corporation? What are the pros and cons of each? Can corporate scenarios be developed and agreed upon? (Alternatives must fit societal environment, industry, and company for next three to five years.)
   a. Consider *cost leadership* and *differentiation* as business strategies.
   b. Consider *stability*, *growth*, and *retrenchment* as corporate strategies.
   c. Consider any functional strategic alternatives that might be needed for reinforcement of an important corporate or business strategic alternative.

B. Recommended Strategy

1. Specify which of the strategic alternatives you are recommending for the corporate, business, and functional levels of the corporation. Do you recommend different business or functional strategies for different units of the corporation?
2. Justify your recommendation in terms of its ability to resolve both long- and short-term problems and effectively deal with the strategic factors.
3. What policies should be developed or revised to guide effective implementation?
4. What is the impact of recommended strategy on the company's core and distinctive competencies?

VII. IMPLEMENTATION

A. Programs

1. What kinds of programs (e.g., restructuring the corporation or instituting TQM) should be developed to implement the recommended strategy?
2. Who should develop these programs?
3. Who should be in charge of these programs?

B. Budgets

1. Are the programs financially feasible?
2. Can pro forma budgets be developed and agreed upon?
3. Are priorities and timetables appropriate to individual programs?

C. Procedures

Will new standard operating procedures need to be developed?

VIII. EVALUATION AND CONTROL

A. Information System

1. Is the current information system capable of providing sufficient feedback on implementation activities and performance? Can it measure strategic factors?
2. Can performance results be pinpointed by area, unit, project, or function?
3. Is the information timely?
4. Is the corporation using benchmarking to evaluate its functions and activities?

B. Control Measures

1. Are adequate control measures in place to ensure conformance with the recommended strategic plan?
2. Are appropriate standards and measures being used?
3. Are reward systems capable of recognizing and rewarding good performance?