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Strategic Business Diagnosis Approach
For Small & Medium Enterprises "SMEs"

Specialized Study in How Business Improves
By Assessing & Diagnosing Factors, Obstacles & Lacks

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Chapter I

A. Introduction

For a company to be successful in the market place it needs to build its business & its organizational capacity.

Building the business has different essence and approach than building organizational capacity. Yet both sides should be integrated, compatible and are also developed in a coherence manner.

The main two elements driving any business are about; understanding of how to improve its competitive edge and how to maintain its success factors in the most economic method.

The case in large scale enterprises is simpler than SMEs as the large scale enterprises has discovered the solution and overcame the obstacles toward growth.

This study is the tool to build a comprehensive understanding of the business and its internal organization. It consists of several aspects of assessment, each of which looks at the business from a different perspective. Each aspect has its own deliverables and applications and combining all together gives the management team in-depth understanding of the business. It resembles a puzzle where each piece provides information on its own and the combination of all the parts together shows the bigger picture. The study will answer the following questions:

- 1- What are Business Development Stages?**
- 2- How can Business Evolve “The Business Dynamics”?**
- 3- What are The Forces that drive the business?**

In order to understand and revile the current situation of most types of enterprises we should investigate thoroughly what we call it “Cross Functional Operation” methodology, which means that we have to investigate the outcome of all functional relation between the organization’s functions and the business results.

This type of diagnosis enforce us to dig deep inside the organization's aspects yet keep monitoring the business performance. Accordingly we have to develop non traditional approach to achieve the right objective which is the causes of enterprises' lacking and weaknesses toward growth.

In this study I'll demonstrate and examine three types of assessment and diagnosis methodologies which provide us with better understanding of assessing any type of enterprises:

1. **Business Development Stages Model**
2. **Business Assembling Model**
3. **Corporate Stand Forces Model**

It consists of several aspects of assessment, each of which looks at the business from a different perspective. Each aspect has its own deliverables and applications and combining all together gives the management team in-depth understanding of the business performance and also in which area we should focus and invest.

The main essence of this assessments/ diagnosis composition is to give the management team the clear view of WHAT do they lack? WHY does it happen? Also help them finding the right way of HOW to fix it?

B. General Description

In fact small and medium enterprises are still struggling to have its growth strategy toward being large scale business. To enable them to move in that direction they have to understand the factors and elements that prevent them from growth.

Two sides should be assessed and diagnosed, Business and Organizational Capacity, in a comprehensive and integrated manner also being holistic and coherent.

As we described earlier that the study is based on three main assessment models which we will elaborate on in a more comprehensive and integrated manner:

4- Business Development Stages Module (BDS)

- Identifies the development stage of the business.
- Identifies business functions that lag, exceed, or match the business development stage.
- Measures the degree of matching between the development of a certain business function and the overall business development.

5- Business Assembling Model (BAM)

- Assesses the organization's performance in each business function
- Identifies defected areas in the business
- Measures the overall performance of the organization

6- Corporate Stand Forces Module (CSF)

- Identifies company competences, competent individuals, strategic result and relevant success factors.
- Measures the relative strength of each of the specified competency areas.
- Assesses the coherency level between all the different integrated forces.

Chapter II

A. Investigative Theories

For the time being only some of Int'l consulting firms have issued a wide number of diagnostic and assessment tools which are either high level or not integrated. Most of world wide consultants are using main source for assessment/ diagnosis tools which is called Consultant Tool Kit. This source/ reference includes 10s of tools and methodologies for business and organization assessment, most of them in questionnaire format. By examining them in deferent events we found that we can nearly know what are the business's problems but almost we can't answer why!

In fact through a comprehensive reading and using most of those tools I found that there are just two holistic and interesting tools/ models which are SWOT analysis and Mckinsey 7 S's.

Here I'll try to highlight the main positives and negatives of each one and how they help us understanding both business and organizational situation. Also we will emphasize on the strength of each one and the limitations that we may face when we use any or both of them.

1. SWOT Analysis Model:

The SWOT analysis process includes both an internal analysis of strengths and weaknesses and an external analysis of threats and opportunities in the environment. SWOT stands for strengths, Weaknesses, Opportunities and Threats. The technique is credited to Albert Humphrey, who led a research project at Stanford University in the 1960s and 1970s using data from the Fortune 500 companies. Following are definitions for the elements of SWOT analysis:

Strengths:

Controllable internal areas of excellence and ways to provide competitive advantage that eventually lead to achieving the vision.

Examples: Dedicated employees, up-to-date technologies, high quality products.

Weaknesses:

Controllable internal disadvantages that hinders achieving the vision.

Examples: Inexperienced employees, tight budget, unclear organizational structure.

Opportunities:

External possibilities for success that help in achieving the company's vision.

Examples: New market trends favorable for the business, new technologies.

Threats:

Uncontrollable external negatives that hinders achieving the vision.

Examples: Competition, economic recession, new laws restraining the business, war.

SWOT Analysis Format

	Strengths	Weaknesses
Internal	What do you do well? What unique resources can you draw on? What do others see as your strengths?	What could you improve? Where do you have fewer resources than others? What are others likely to see as weaknesses?
	Opportunities	Threats
External	What good opportunities are open to you? What trends could you take advantage of? Looking at your strengths, how can you turn these into opportunities?	What trends could harm you? What is your competition doing? Looking at your weaknesses, what threats do these expose to you?

2. McKinsey 7 S's Model:

The Seven-Ss is a framework for analyzing organizations and their effectiveness. It looks at the seven key elements that make the organizations successful, or not: strategy; structure; systems; style; skills; staff; and shared values.

Consultants at McKinsey & Company developed the 7S model in the late 1970s to help managers address the difficulties of organizational change. The model shows that organizational immune systems and the many interconnected variables involved make change complex, and that an effective change effort must address many of these issues simultaneously.

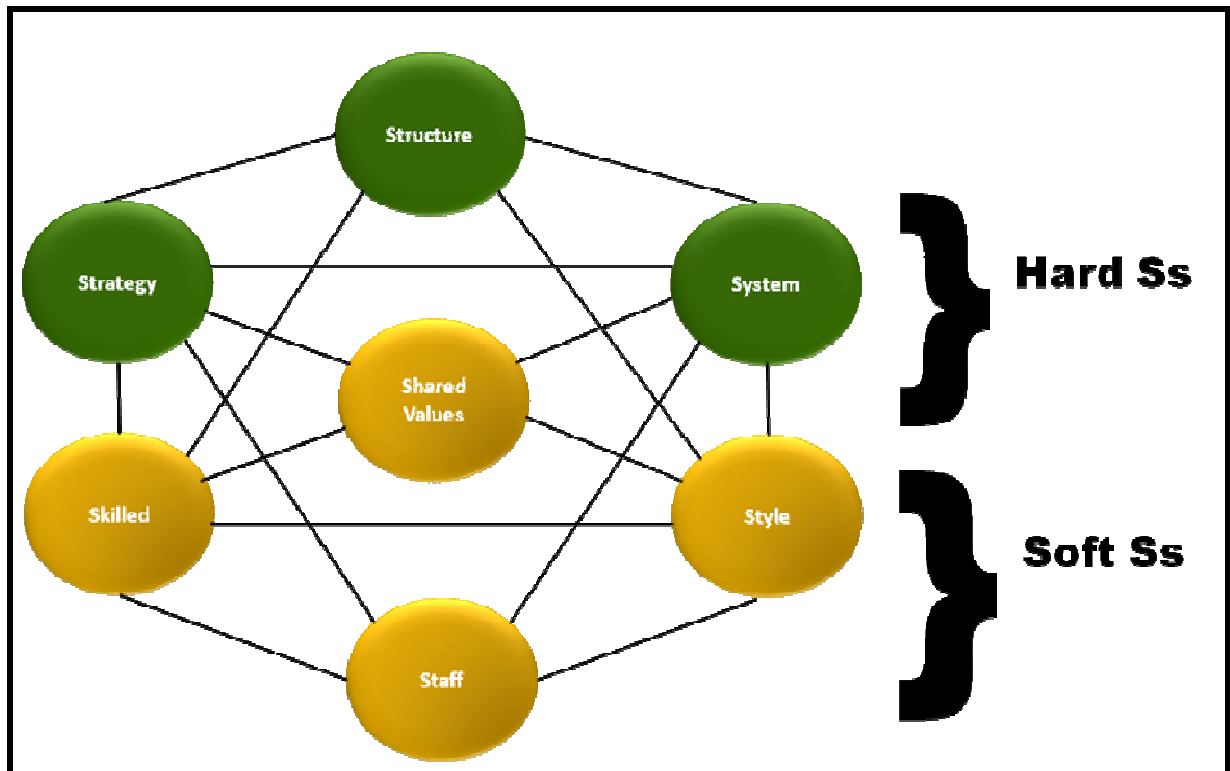
The 7-S model is a tool for managerial analysis and action that provides a structure with which to consider a company as a whole, so that the organization's problems may be diagnosed and a strategy may be developed and implemented.

The 7-S diagram illustrates the multiplicity interconnectedness of elements that define an organization's ability to change. The theory helped to change manager's thinking about how companies could be improved. It says that it is not just a matter of devising a new strategy and following it through. Nor is it a matter of setting up new systems and letting them generate improvements

To be effective, your organization must have a high degree of fit, or internal alignment among all the seven Ss. Each S must be consistent with and reinforce the other Ss. All Ss are interrelated, so a change in one has a ripple effect on all the others. It is impossible to make progress on one without making progress on all.

Thus, to improve your organization, you have to master systems thinking and pay attention to all of the seven elements at the same time. There is no starting point or implied hierarchy - different factors may drive the business in any organization.

McKinsey 7 Ss Model



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The 3Ss across the top of the model are described as 'Hard Ss':

- o **Strategy:** The direction and scope of the company over the long term.
- o **Structure:** The basic organization of the company, its departments, reporting lines, areas of expertise, and responsibility (and how they inter-relate).
- o **Systems:** Formal and informal procedures that govern everyday activity, covering everything from management information systems, through to the systems at the point of contact with the customer (retail systems, call centre systems, online systems, etc).

- The 4Ss across the bottom of the model are less tangible, more cultural in nature, and were termed 'Soft Ss' by McKinsey:
 - **Skills:** The capabilities and competencies that exist within the company. What it does best.
 - **Shared values:** The values and beliefs of the company. Ultimately they guide employees towards 'valued' behavior.
 - **Staff:** The company's people resources and how they are developed, trained, and motivated.
 - **Style:** The leadership approach of top management and the company's overall operating approach.

In fact, after reviewing and examining the most famous assessment models/ tools (SWOT & 7 Ss), we can discover easily that both models (used as a representation of all the different models) are not enough to have a clear vision and then give effective means that help the management team in solving totally their companies problem.

Here we will explain and examine the three new models which have been developed to give the management team or consultants better way of assessing and diagnosing both business and organization.

This new type of assessment called the three dimensional diagnosis techniques which include three types of assessment models that work together to give us integrated diagnosis results and help defining ultimate solutions.

B. Business Case Study

The three dimensional Diagnosis framework is the tool to build a comprehensive understanding of the business. It consists of three modules, each of which looks at the business from a different perspective. Each module has its own deliverables and applications and combining the three together gives the consulting team in-depth understanding of the business. It resembles a puzzle where each piece provides information on its own and the combination of all the parts together shows the bigger picture.

In this study I'll demonstrate and examine three types of assessment and diagnosis methodologies which provide us with better understanding of assessing any type of enterprises:

1. **Business Development Stages Model**
2. **Business Assembling Model**
3. **Corporate Stand Forces Model**

1. Business Development Stages Model:

The purpose of this Module is to identify the business development stages which contribute to understanding the strengths, opportunities, and challenges that can potentially face the business.

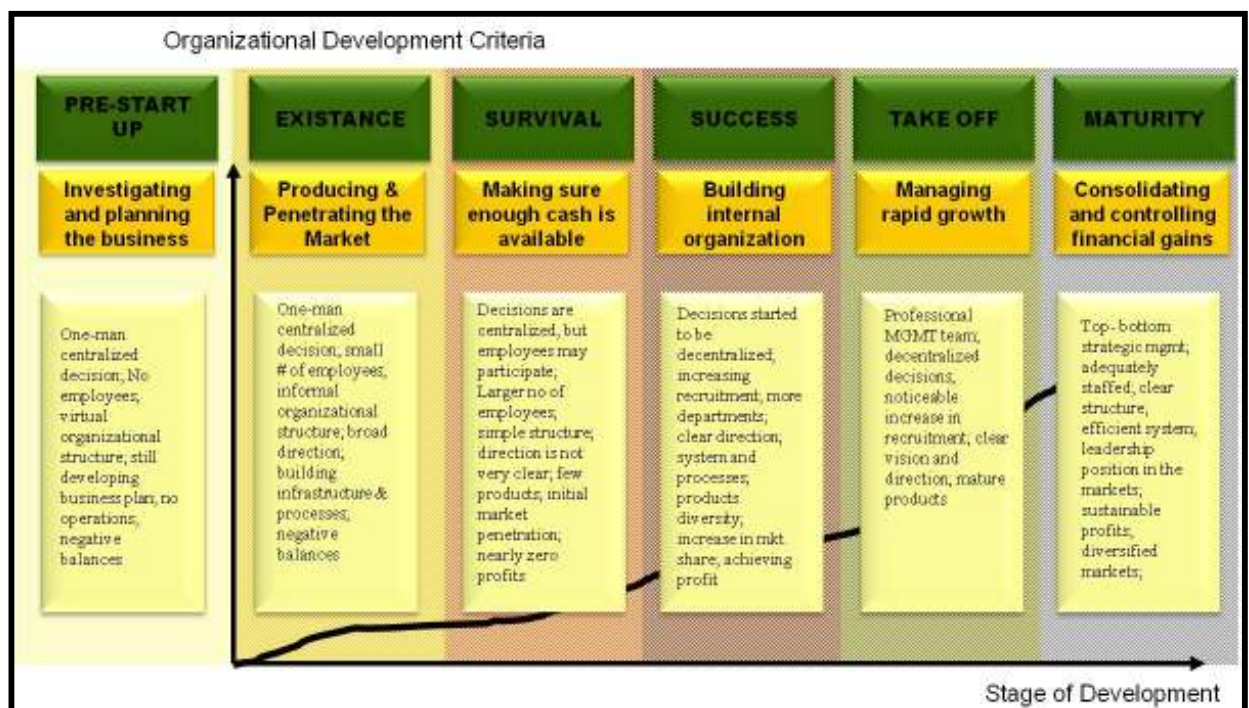
Business Development Stages Module is based on recognized management theories that view business growth as a series of development stages through which the business should normally pass. Although these theories disagree on the exact number of stages from a minimum of three to a maximum of seven, they agree that a certain business confronts different challenges based on its degree of

development. The business's ability to overcome these challenges is what qualifies it to pass from its current stage to the other.

The Module has many applications that help organizations to efficiently use their capabilities to overcome the challenges of their current stage and to evolve smoothly from stage to another.

Business development stages are identified using pre-set criteria that cover many business functions. In order to accurately depict the minimum degree of changes in different stages, the Module adopts a six-stage-model that includes the following stages in order of their occurrence: Pre-start up, Existence, Survival, Success, Take-off, Maturity and Decline. The time spent in each stage varies according to industry average, market development/ growth and business capability to pass to another stage.

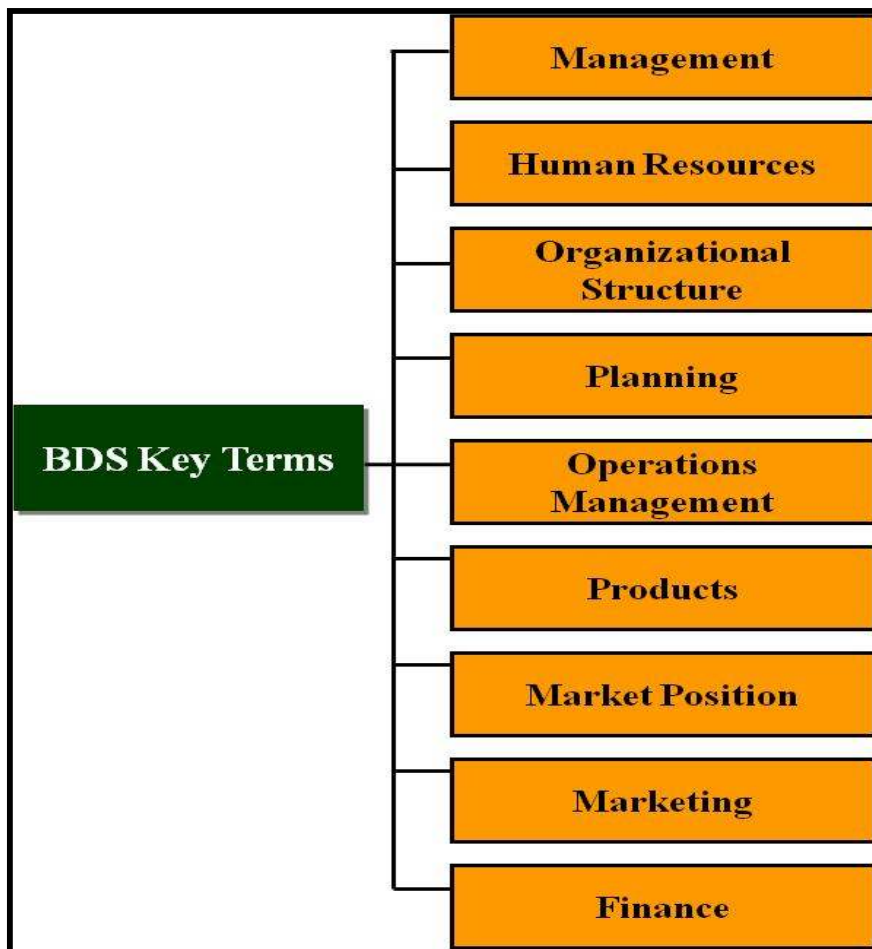
Business Development Stages



LMC Business Development Stages "BDS" Model©

BDS's Key terms

Following are brief definitions for the areas examined to determine the business development stage. While other criteria might indicate the stage, it was found that the below criteria are the most significant indicators for business development stages across various industries and organizations' sizes.



LMC Business Development Stages Component "BDS" Model©

Management

It refers to the group of individuals who make decisions about how the business is run. This module focuses on the management style which moves toward more decentralization, authority delegation, and empowerment as the organization grows.

Human Resources

It refers to the organization's workforce including: number of employees, age range, qualifications, recruitment, and retention efforts. This module uses the capacity and utilization of the organization's HR as indicators of its business development stage. As the organization develops, the number of employees increases, and the HR function develops to contribute significantly to leveraging the employees' caliber and increasing their efficiency.

Organizational Structure

It refers to the way in which different groups, teams, departments of an organization are constructed to enable the organization to perform its functions. It includes span of management, mechanisms of control, and centralization of power. In early development stages, the structure is likely to be simple and informal. The development of a clear, formal and comprehensive organizational structure goes hand in hand with the organization development.

Planning

It refers to the process of setting goals, developing strategies, and outlining tasks and schedules to accomplish goals. Business plan is used in this context as an indicator of the level of development of this function. Organizations tend to have comprehensive and clear business plans with well defined directions as they approach more developed stages. Employees' participation in the planning process is another indicator of the business development. During early stages, planning is usually the responsibility of the CEO who is likely to be the founder. Many employees from various levels of the organization are included in the process as the organization evolves.

Operations Management

It refers to the management of resources, the arrangement of value-added activities that create outputs, and the distribution of goods and services to customers. Fundamentally, it should be aligned with market opportunity for optimal enterprise performance. In this context, operations management is concerned with the efficiency and quality of operations taking place inside the company. After overcoming the operational challenges of the early stages of the company's existence, the company tends to focus on firmly establishing its processes and procedures to meet the industry's highest quality standards.

Products

The focus of this module is mainly on the number of products offered, their nature and their level of development as indicators of the business development stage. Most of the companies start with limited number of products/services at early development stages. This portfolio grows and diverse, and products evolve through maturity stages along with the organization.

Market Position

It refers to the company's status among competitors, relations with suppliers and distribution channels, customer base and market share. The normal evolvement of the business is usually accompanied by an increase in its market share, presence in various markets, and relations with channels.

Marketing

It refers to the activities associated with building a brand name and customer base for the organization. It includes advertising, selling and delivering products/services to customers. As the organization matures, its marketing and advertising activities become more focused on its pre determined target group/s.

Finance

It refers to the company's financial sustainability. It includes aspects such as cash flow, company's access to finance, and profitability. Profitability and cash flow are the most significant indicators of the company's development stage.

The BDS module does not assess the business various functions within an organization. It simply defines the business development stage as an initial step in understanding and defining business priorities. The outcome of this module suggests a list of business priorities on which the company should focus in order to move to a more advanced development stage. This list is then compiled with the problematic areas from the [Business Assembling Model](#) (which will be explained later), which specializes in assessing each of the business components to come up with the business development priorities based on its development stage and current problems.

The BDS module is based on the assumption that in order for the business to move to a more advanced development stage, all its critical functions should have reached the maturity level of this stage.

2. Business Assembling Model

The purpose of this module is to provide a comprehensive assessment of the business essential elements and the dynamics that govern the interaction between them in an attempt to identify business strengths and weaknesses.

Business Assembling Model was developed by Logic Management Consulting as a tool for assessing business essential elements: Thoughts, Resources, and Market/s. This model was designed based on the conventional theory that in order for an establishment to generate business results, it should have a specific Business Idea that is deployed using the business both tangible and intangible resources to generate product/s or service/s. This product/s or service/s is exploited in the suitable market: a process that results in feedback that is used to develop the idea again.

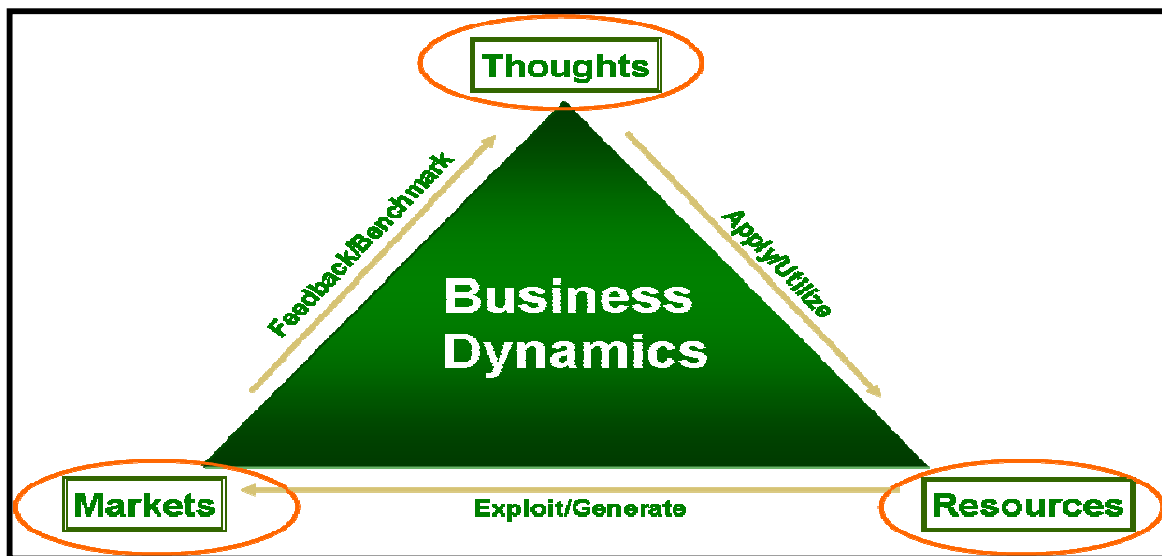
The three elements, Thoughts, Resources, and Market/s, are interrelated and interdependent. It is the dynamic reintegration between them that generates business gain.

The outcome of the business assembling model contributes significantly to determining business priorities and designing action plan to cure the weak areas.

While there might be some degree of overlapping among the three elements, in reality, the model intends to separate them in an attempt to isolate the factors that might affect management perception of a problem to be able to accurately pinpoint the weak and strength points.

The graph below represents the dynamic relationship between the various elements of this model. The successful interaction between the triangle's elements results in a business gain that could or could not match the pre determined expected results.

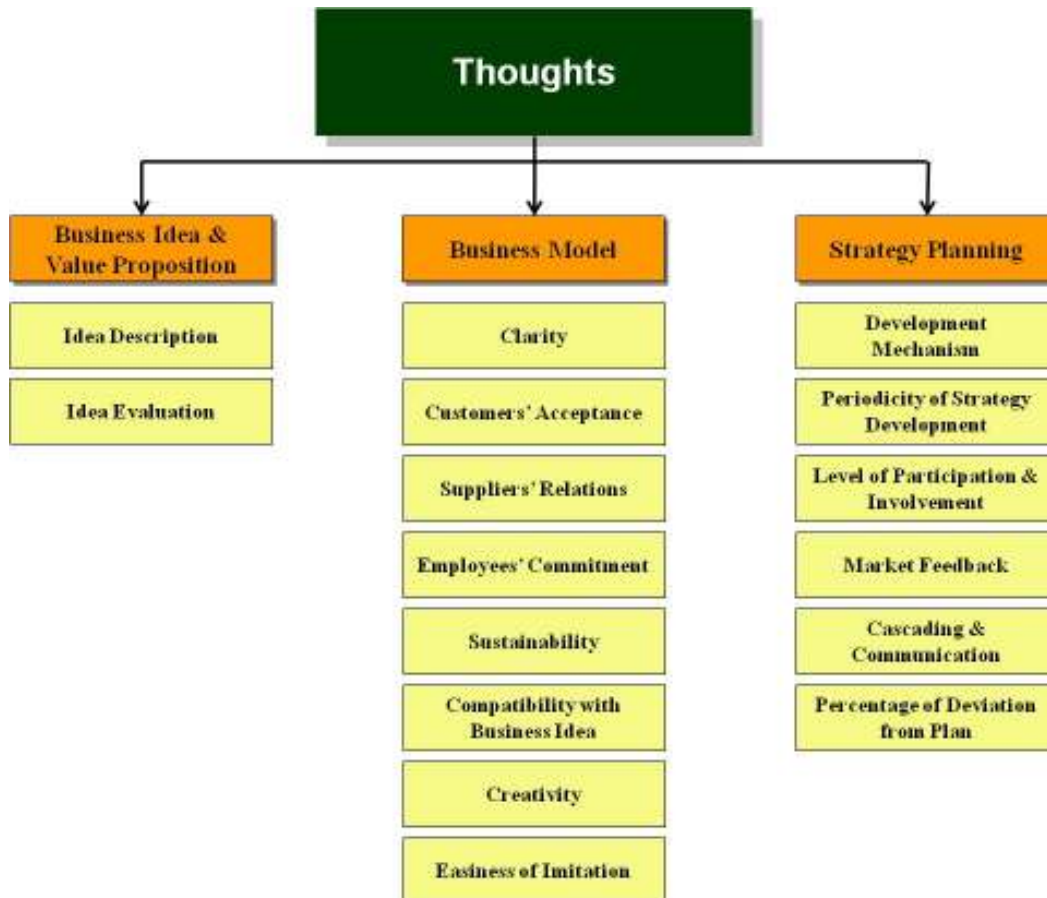
Business Assembling Model



LMC Business Assembling Model 2006©

Key Terms

Following are brief definitions for the areas examined in this module. The selection and the grouping of these areas were done to assure that defected areas could be isolated smoothly for accurate identification of the business problems.



LMC Business Assembling Model Thoughts Component 2006©

It is the first element in the BAM. It describes the various aspects of the idea around which the business is built. While the degree of the sophistication of the business thought may vary from an organization to another. The ability to transfer these thoughts into a sustainable business depends on the dynamic interaction between the business thought and the other two elements: resources and markets. This is a challenging process that transfers an abstract idea to a tangible result.

Thoughts are essential throughout all business development stages to guarantee solid foundation and continuous development for the business. In assessing the organization's thoughts, three categories are identified then divided into more specific sub categories to assure covering all aspects. Below are brief definitions for each examined area.

B. Resources:

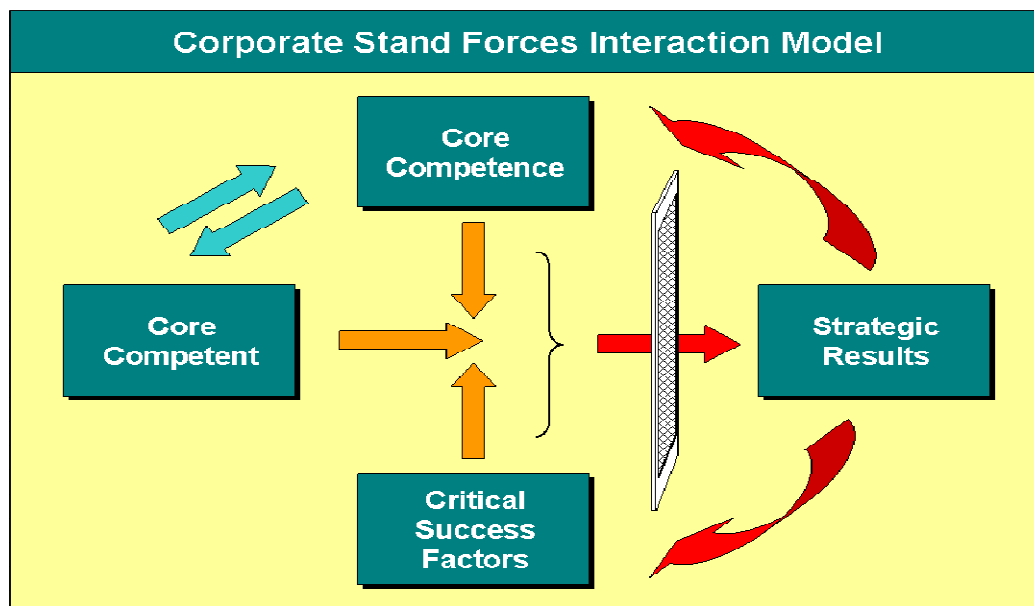
It is the second element in the BAM. Resources are defined as elements used in the production of goods and/or services. Examining the resources allows us to determine if the organization is utilizing all its available resources to implement the Business Thought.

It includes both tangible resources, which refers to the material resources the organization uses to produce goods and/or services such as Human Resources, Financial Resources, and Tools and Machines and immaterial resources the organization uses to produce goods and/or services which represent a collection of intangible assets also known as knowledge assets. It includes Intellectual Capital, Reputation and Networks

C. Markets

It is the third element of the model. It refers to the place/s where the goods and/or services produced by the organization are sold.

The Corporate Stand Forces Module assesses the company's competitive advantages on both the organizational and the business levels. It is based on the theory that in order for a company to have strong long term presence, it should have certain competences that are cascaded throughout all business areas by competent individuals. It should also have some internal and external factors (Critical Success Factors) that contribute to producing the company's Strategic Result. The strength as well as the synergy among these factors are what determine the company's ability to grow.



The purpose of this module is to identify and to assess the Corporate Stand Forces in an attempt to assess the company's ability to face its current challenges and to meet future expansion opportunities.

The outcome of this module determines the company's Power of Improvement, which reflects the potential for development and improvement of the company under study.

Key terms

Below are brief explanation and definitions for the main areas under examination in this module. While companies usually have very specific Competences, the broad identification for Core Competences' areas allows us to determine the relative strength of every factor and its impact on the organization.

**A. Core Competences**

They are the collective learning in the organization especially how to coordinate diverse production skills and integrate multiple streams of technologies. A core competence is defined as *"a bundle of skills and technologies that enables a company to provide a particular benefit to customers."* The most valuable Competences are the ones that represent a gateway to a variety of potential product markets for the company. Unlike physical assets, core Competences do not wear out; rather, they are developed and refined over time.

B. Core Competent

They are the individuals who contribute significantly to establishing, strengthening, and cascading company's Core Competences. To qualify for a Core Competent, a person should have an influential (Top Management Position) role in the organization that is relevant to its core Competence.

C. Critical Success Factors

Critical Success Factors (CSFs) are key areas of performance that are essential for the organization to accomplish its mission. Managers implicitly know and consider these key areas when they set goals and as they direct operational activities and tasks that are important to achieving goals. When these key areas of performance are made explicit, they provide a common point of reference for the entire organization. These could be external or internal environmental factors.

D. Strategic Result

Strategic Result is what differentiates the company from its competitors in the eyes of its customers. It could be described as the Customer Value Proposition: what customers value most in certain company's products and services and thus influences their decision of purchasing this particular product or service.

The Relationship among Corporate Stand Forces:

The dynamic interaction between corporate stand forces is what leads to positive business results. For each Core Competence, there are number of Core Competent individuals who contribute to producing Strategic Result in the presence of certain Critical Success Factors.

Main Points About CSF Module:

While companies might have more than one core competence area, it is the dynamic interaction between all four factors that contribute significantly to the organization's long term success. Thus, identifying areas of Competences allows the company to focus its resources and investments in strengthening this relation. A company might have core Competence in a certain business area, but the surrounding environmental factors do not support the development of this Competence. In this case, understanding this situation allows the company to make strategic decisions regarding these Competences.

For a company to achieve long term success, it should have internal embedded Core Competences that differentiate the company from its competitors. The company should also have the core competent caliber who will carry and disseminate such core Competences across the whole organization. Besides, the external and internal factors affecting the organization, known as the Critical Success Factors, should be aligned and supportive to the utilization of such core Competences by the core competent caliber. As a result of such interaction, the company generates strategic outcomes known as the strategic result, which is what the customers perceive as a value proposition at the end. Such cycle is further reinforced with more strengthening for the core Competences and critical success factors. However, using the Corporate Stand Forces assessment during the early stages of the business development allows companies to focus on building the most suitable core Competences for its status.

Chapter III

A. Discussions & Main Results

The objective from Assessing or diagnosing the business and organizational capacity at any enterprises (specially small and medium scales) is to help them indicating their deficiency and overcoming the obstacles and barriers that are preventing them from improving and escalating their performance toward growth. It will also provide enterprises' management with reliable measures for assessing their current performance and predicting future expansion.

Accordingly, analyzing the outcome of these three modules, allows consultants to draw a full picture of the company's current situation. However, in analyzing the business and organization performance, it is important to determine how good the company can be.

Methodological Framework

Business performance is an important indicator for the company's strength, but it is not sufficient to comprehensively evaluate the company's capabilities to overcome challenges and make use of opportunities. The three modules introduced in this kit offer comprehensive assessment of the company's status quo from various perspectives as follows:

- **Business Development Stages Module:** Where the company stands in the normal business development cycle.
- **Business Assembling Model:** How good the company's performance is with regards to every business function.
- **Corporate Stand Forces:** What the essential forces for the company's success are and how powerful they are.

This analysis is essential in setting realistic expectations about the company's future performance. Corporate Power of Improvement (POI) indicator was designed to provide this information.

The POI is built on the hypothesis that in order for the company to be able to realize its full potential, it should have the right combination of resources and forces that are appropriate for its current business development stage.

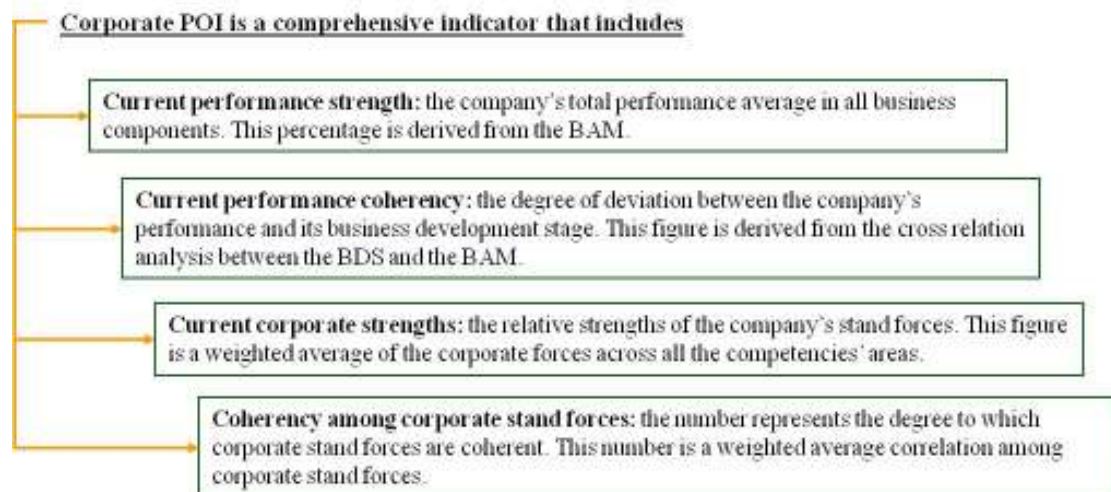
The strengths and the synergy among these forces are what determine the corporate capability of overcoming business challenges and capitalizing on market opportunities. Therefore, a higher POI indicates that the company is achieving better utilization of its resources to maximize its business gains.

The POI is calculated as a percentage of the company's full potential. Following are the meaning of each range:

- **Less than 30%: weak potential.**
- **30%to 60%: average potential.**
- **More than 60%: strong potential.**

Thus, the POI is a company specific measure that benchmarks the current performance to the optimum performance of the same company.

The POI has many usages in various areas that cover company's analysis/ evaluation, and strategic planning.



The POI is not an absolute measure that can be used to compare different companies. Having a higher POI does not necessarily reflect stronger resources, advanced business development stage or stronger stand forces, it simply says that this company is currently utilizing more percentage of its potential, and therefore, has higher capabilities of solving current problems and capitalizing on opportunities.

B. CONCLUSIONS

Whilst the subject of assessing business or organizational capacity has been addressed and explored extensively in several events and studies yet the advanced and sophisticated methodologies are still far behind delivering clear and reliable results. So far this study explored new way of a comprehensive assessment and much reliable diagnosis which enable us to understand clearly WHAT IS LACKING, WHY DO WE LACK IT & HOW CAN WE FIX IT. Finally, from the previous explanation of the three models we can evaluate them as follow:

Name

Business Development Stages (BDS).

Benefits

Using a variety of data gathering tools and a quantitative data interpretation module, the Business Development Stages Module is capable of:

Identifying the development stage of the business.

Identifying business functions that lag, exceed, or match each business development stage.

Measuring the degree of matching between the development of a certain business function and the overall business development.

Expected Deliverables

Objectives based identification of the overall business development stage.

Detailed and summary reports for the development of every business function.

Accurate comparison between the development stage of every evaluation category and subcategory in relation to the overall business stage.

Identification of the business challenges in relation to each stage.

Advantages

Comprehensive: the module identifies the business development stages based on a wide array of criteria that covers the majority of business functions which results in a complete picture of the reality.

Reliable: the module uses a combination of data collection tools that takes into consideration the judgment of employees, management, and consultants. The quantitative data interpretation module has various functions for testing data validity and reliability.

Objective: the module uses pre specified ranges that are translated to numbers to minimize the degree of subjectivity in data interpretation.

Flexible: while assuring a high degree of consistency in output, the module offers a degree of flexibility that allows the consulting team to adjust the module according to the specific requirements of each project.

Limitations

This module is a strong support tool for identifying the business development stage. However, it does not substitute for the qualitative assessment of a senior consultant, which is highly recommended to avoid any percentage of error.

The module is designed to identify the business development stage. Accordingly, only criteria that show significant development from phase to another are evaluated. Thus, the module should not be used to identify business problems in absolute terms as it does not necessarily cover all business functions.

- **Name**

Business Assembling Model (BAM)

- **Benefits**

Using a variety of data gathering tools and a quantitative data interpretation module, the *Business Assembling Model* is capable of:

- Assessing the organization's performance in every business function.
- Providing accurate identification of the defected areas in all aspects of the business.
- Measuring the overall performance of the organization.
- Delivering valuable output for determining business priorities in relation to the business development stage.

- **Expected Deliverables:**

- Detailed report of the performance of each business function.
- Accurate identification for the defective areas in all aspects of the business.
- Comprehensive assessment for the overall business performance.

- **Advantages:**

Business Assembling Model is:

- **Comprehensive:** the model uses a comprehensive approach that covers all business functions and independently assesses various aspects in relation to these elements.
- **User Friendly:** using a quantitative data assessment approach, the module is an ultimate solution for providing standard output that can be easily compared with the [Business Development Stages Module](#) to come up with business priorities.

- **Reliable:** the module uses a combination of data collection tools that take into consideration the judgment of employees, management, and consultants. The quantitative data interpretation module has various functions for testing data validity and reliability.
- **Organized:** while providing comprehensive assessment that covers all business functions, the covered areas are divided into very specific points that are grouped according to general categories that fall under one of the business's main elements: Thoughts, Resources, and Markets.
- **Objective:** the module uses pre specified ranges that are translated into numbers to minimize the degree of subjectivity in data interpretation.
- **Flexible:** while assuring a high degree of consistency in output, the module offers a degree of flexibility that allows the consulting team to amend the module according to the specific requirements of each project. The assessment provided by the model can be used to fulfill variety of business needs.

- **Limitations:**

This model is a strong support tool for providing comprehensive assessment for the business performance. However, it does not substitute for the qualitative assessment of middle management, which is highly recommended to avoid any percentage of error. While being highly capable of providing multi usage data, the model is designed specifically to assess the performance of the business's various functions. Thus, no conclusions about business development priorities should depend solely on this model as business problems should be identified in relation to the business development stage.

- **Name:**

Corporate Stand Forces (CSF)

- **Benefits:**

Using comprehensive assessment tools that include qualitative as well as quantitative analysis, this module is capable of:

- Identifying corporate areas of Competences, Competent individuals, strategic result and relevant success factors.
- Specifying corporate exact Core Competences and matching them with their related other Corporate Stand Forces.
- Measuring the relative strength of each of the specified areas.
- Assessing the coherency level between all the different integrated forces.
- Determining the company's Power of Improvement.

- **Expected Deliverables:**

- Detailed and summary assessment reports for the strength of each of the Corporate Stand Forces.
- Accurate measurement of the dynamic relation between Corporate Stand Forces.
- Specific identification for the corporate Core Competences and the other factors relevant to each Core Competence area.
- Objective evaluation for potential areas of improvement.

- **Advantages:**

Corporate Stand Forces Module is:

- **Reliable:** the module uses a combination of data collection tools that takes into consideration the judgment of employees, management, customers and consultants. The quantitative data interpretation module has various functions for testing data validity and reliability.
- **Objective:** the module uses pre specified ranges that are translated to numbers to minimize the degree of subjectivity in data interpretation.
- **Flexible:** while assuring a high degree of consistency in output, the module offers a degree of flexibility that allows the consulting team to adjust the module according to the specific requirements of each project.
- **Comprehensive:** the module covers a wide array of areas that might have impact on the corporate powers.

- **Limitations:**

- The module is a very strong tool in assessing the Corporate Stand Forces as it uses objective ways of assessing each potential Competence. However, a high degree of caution should be taken in data collection to avoid the negative impact of any misleading information. This assessment is no substitute for consultants' qualitative assessment that should be assigned a reasonable weight during all phases of the assessment process.

Chapter IV

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B. Appendices

In this study we used set of Questionnaires and analysis tools, for better understanding of how previous models are working, I will demonstrate some examples for better understanding, as follow:

Questionnaires Examples:

CSFs	Relevant	Rate					Impact
		1	2	3	4	5	
Customers Education and Awareness	Yes	1	2	3	4	5	
	No						
Quality Assurance System	Yes	1	2	3	4	5	
	No						
Standardization of Regulations	Yes	1	2	3	4	5	
	No						
Internal Quality Oriented Culture	Yes	1	2	3	4	5	
	No						
Customer Value of the Service	Yes	1	2	3	4	5	
	No						
Internal customer service culture	Yes	1	2	3	4	5	
	No						
Interactive & Efficient Customer Interface	Yes	1	2	3	4	5	
	No						
Regulatory Laws that Protect IPRs	Yes	1	2	3	4	5	
	No						
High Market Development Rate	Yes	1	2	3	4	5	
	No						
Understanding Customers Needs	Yes	1	2	3	4	5	
	No						
R&D facilities	Yes	1	2	3	4	5	
	No						

The table below to rate the candidate strength on each criteria using a scale from 1 to 5 where 1 is very weak and 5 is very strong

Core Competent Criteria	Rate					Comments or Further Explanation
	1	2	3	4	5	
Technical Expertise	1	2	3	4	5	
Details Orientation	1	2	3	4	5	
Analytical skills	1	2	3	4	5	
Customer Centric Approach	1	2	3	4	5	
Communication Skills	1	2	3	4	5	
Social Intelligence	1	2	3	4	5	
Business Judgment	1	2	3	4	5	
Creativity	1	2	3	4	5	
Organization Skills	1	2	3	4	5	
Understanding of the business stakeholders	1	2	3	4	5	
Strategic Perspective	1	2	3	4	5	
Communication Skills	1	2	3	4	5	
Familiarity with Company's Values	1	2	3	4	5	
Methodological Thinking	1	2	3	4	5	
Willingness to Develop	1	2	3	4	5	
Ability to Develop	1	2	3	4	5	
Quality Orientation	1	2	3	4	5	
Relevant Education and Training	1	2	3	4	5	

Analysis Tools:

Inputs Sheet	Measurement Feedback								Consistent Feedback				
	Q1-07	Q2-07	Q3-07	Q4-07	Q1-08	Q2-08	Q3-08	Q4-08	Average	Consistent	Consistent	Average	Event Average
List of Critical Success Factors													
Customer Education and Awareness	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Quality Assurance System	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Employee Training Programs	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Internal Quality Control Culture	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Customer Value of the Service	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Internal customer service culture	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Executive & Employee Customer Interface	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Regulatory Laws that Affect R&D	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
High Market Development Rate	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Understanding Customer Needs	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
R&D facilities	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Availability of goods in the Market	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Management Transparency Facilitate	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Supply Chain Management Innovation	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Development Expenses	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Technological Advancements	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Customer Value to Corporate Culture	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Corporate Commitment to the Culture	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Strategic planning & clear direction	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Customer Perception of the brand	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Marketing Activities & Budget	4	4	4	4	4	4	4	4.0	3	4	4	3.5	3.3
Strong Human Capital	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Market Development Programs	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Efficient Production Process Management	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Flexible Operational Facilities	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Average	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.81	3.81	3.36	3.3
Contribution to Average	30%	31%	32%	33%	31%	32%	30%	30%	30%	31%	31%	30%	

Screen view of the Critical Success Factors data input sheet

Inputs Sheet	Measurement Feedback								Consistent Feedback				
	Q1-07	Q2-07	Q3-07	Q4-07	Q1-08	Q2-08	Q3-08	Q4-08	Average	Consistent	Consistent	Average	Event Average
List of Strategic Results													
Quality Products	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Efficient Products	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Customer Care	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Customer Loyalty Developed Products	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Products that Meet New Needs	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
On Time Delivery	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Cost Efficiency	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Positive Corporate Culture	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
High Market Equity	4	4	4	4	4	4	4	4.0	3	4	4	3.5	3.3
Customer Satisfaction - Quality	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Product Differentiation	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Value for Money Products	3	3	3	3	3	3	3	3.0	3	4	4	3.5	3.3
Average	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.81	3.81	3.36	3.3
Contribution to Average	30%	30%	30%	30%	30%	30%	30%	30%	30%	31%	31%	30%	

Screen view of the Strategic Result data input sheet

		Score	Status
34	Level of Business Capitalization	3.0	Average
35	Access to Finance	3.0	Average
36	Equipments and Machines	3.0	Average
37	Sufficiency of Equipment	3.0	Average
38	Efficiency of Equipments	3.0	Average
39	Suitability of Equipments	3.0	Average
40	Intellectual Capital	3.0	Average
41	Accumulated Experience	3.0	Average
42	Experience Diversification	3.0	Average
43	IPRs	3.0	Average
44	Knowledge Management	3.0	Average
45	Reputation and Networks	3.0	Average
46	Networks Diversification	3.0	Average
47	Suppliers Networks Commitment	3.0	Average
48	Relations with Suppliers	3.0	Average
49	Customers Loyalty	3.0	Average
50	Market	2.8	Average
51	Nature of the Market	3.0	Average
52	Barriers to Entry	3.0	Average
53	Saturation Level	3.0	Average
54	Competitors Reaction to New Entry	3.0	Average
55	Rate of Market Development	3.0	Average
56	Market Growth	3.0	Average
57	Customer Need fulfillment	3.0	Average
58	Level of Customer Needs Fulfillment	3.0	Average
59	Company's perception of customer needs satisfaction	3.0	Average
60	Product Competitiveness	2.5	Average
61	Quality Competitiveness	3.0	Average
62	Price Competitiveness	2.0	Average
63	Grand Average	2.9	
64	Standard Deviation	0.54	

Screen view of the detailed report sheet

		Input 1	Input 2	Input 3	Input 4	Input 5	Average	Input 1	Input 2	Input 3	Input 4	Input 5	Input 6	Input 7
1	Inputs Sheet													
2	Idea													
3	Clarity of the Business Idea	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
4	Feasibility of the Business Model	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
5	Value of the Business Model	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
6	Clarity of Business Model	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
7	Customer Acceptance	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
8	Supplier Relations	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
9	Employee Commitment	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
10	Scalability	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
11	Compatibility with the Business Idea	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
12	Clarity of Business Model	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
13	Ownership of Competitive Advantage	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
14	Strategy and planning	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
15	Strategy Development Mechanism	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
16	Periodicity of Developing Strategy	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
17	Level of Production and Investment	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
18	Market Penetration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
19	Coexisting with Competitors	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
20	Percentage of Available Cash Flow	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
21	Resource	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
22	Human Resource	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
23	Competency	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
24	Sufficiency	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
25	Efficiency	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
26	Existence Level	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
27	Level of Company Management	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
28	Financial Resource Development	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
29	Financial Resource	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
30	Level of Business Capitalization	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

Screen view of the data input sheet