CSO’s Role in Times of Uncertainty

Report of the CSO Survey 2012
I. Study Overview

Purpose, method, and sample
Report of the CSO Survey 2012

Study overview

Joint Study by the Institute of Management at the University of St. Gallen and Roland Berger Strategy Consultants

PURPOSE

> Understanding of role, background, behavior, agenda, and benefits of CSOs
> Identifying current developments and major changes compared to 2011 study
> Building/further strengthening CSO-Community

PARTICIPANTS

> Targeted at the strategy heads of the 250 largest companies in DACHLI
> 54 CSOs participated in the study (22 % response rate)

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Report of the CSO Survey 2012
Authors and contact information

Authors

> Prof. Dr. Markus Menz & Prof. Dr. Günter Müller-Stewens,
  University of St. Gallen

> Dr. Tim Zimmermann & Christian Lattwein,
  Roland Berger Strategy Consultants

Please cite the report as follows:
II. The Role of Chief Strategy Officers

Key insights of the study
Development of the CSO Role – Firms are seeking outsiders with direct CEO access

CSOs firm-specific experience

- Outsider (<2 yrs): 7%
- Insider (2-5 yrs): 25%
- Insider (6-10 yrs): 27%
- Insider (>10 yrs): 43%

CSOs are primarily reporting to:

- To the CEO: 76%
- To an executive one level below the CEO: 17%
- To an executive two levels below the CEO: 7%

No. of employees in the strategy department

- Fewer than 5: 3%
- 5 to 9: 31%
- 10 to 19: 13%
- 20 to 49: 3%
- 50 to 99: 42%
- More than 100: 13%

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Chief Strategy Officer Survey 2012: Six Insights

**Insight 1**
Although *uncertainty* is *increasing*, CSOs require for a *leaner* strategy process

**Insight 2**
High performing firms see *megatrends* primarily as an *opportunity*

**Insight 3**
*Shifting tasks* in times of economic downturns are one of the pain points in strategic decision-making

**Insight 4**
Importance of almost all CSO tasks has *significantly increased* compared to last year

**Insight 5**
High performing firms focus their *collaboration* efforts to *selected functions*

**Insight 6**
Standard approach for *measuring impact* of *strategic decisions* is not yet established

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Although uncertainty is increasing, CSO’s require for a leaner strategy process

Uncertainty’s effect on the CSO role

Identifying and analyzing changes in the environment is an important part of the CSO role

Cross-functional collaboration is important to effectively address the increased uncertainty

The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions

The increasing uncertainty/volatility leads to an increased importance of the CSO role

The CSO role has changed over the past few years

The increasing uncertainty/volatility requires an increase in the number of strategy staff

TAKEAWAYS

> The increasing uncertainty and complexity has substantial implications for the CSO role

> Particularly, it requires both analyzing environmental changes and cross-functional collaboration

> While the CSO role’s importance is likely to increase due to the increased uncertainty, this will not affect much the size of strategy departments

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
One implication of uncertainty is the closer collaboration between strategic and operative planning as well as with risk management.

Uncertainty’s effect on the strategy process

- There is a regular exchange with external experts on future industry/regional developments
- The development of my firm depends also on short-term, macro-economic events
- The strategy process is sufficiently flexible to be able to react to unforeseen events
- A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning
- A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management
- To be able to address the uncertainty, there is a need for a leaner and more focused strategy process
- The strategy process has been adjusted to be able to anticipate extreme events early on
- To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods
- To be able to address the uncertainty, there is a need for a more complex strategy process

TAKEAWAYS

- There is a high level of consensus regarding the impact of uncertainty on the firm’s development
- The collaboration of strategic planning with risk management and operative planning will be critical
- The increased uncertainty and complexity requires a more focused and thereby leaner strategic planning process

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
High performing firms see megatrends primarily as an opportunity

The influence of megatrends on the strategy process

- Megatrends offer new opportunities for our firm: 4.61 (High performing) vs. 2.83 (Low performing)
- Megatrends will play an important role for our firm in the future: 4.06 (High) vs. 3.56 (Low)
- Our firm does actively identify and investigate megatrends: 3.72 (High) vs. 3.67 (Low)
- Megatrends are highly complex and have multiple influences on our firm: 3.67 (High) vs. 3.56 (Low)
- Megatrends are fully integrated in our firm's strategic planning process: 4.13 (High) vs. 3.13 (Low)
- Megatrends threaten our firm's strategic business model: 4.26 (High) vs. 3.00 (Low)
- Megatrends are still far in the future and not yet a strategic issue for our firm: 1.50 (High) vs. 2.00 (Low)

TAKEAWAYS

> High performing firms have a longer-term orientation and a more optimistic picture of the future than low performing firms

> High performing firms see megatrends as an opportunity more than low performing firms do (whereas low performing firms see megatrends as a threat more than high performing firms do)

> High performing firms integrate megatrends more in the strategic planning process than low performers

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Insight 3

Shifting tasks in times of economic downturns are one of the pain points in strategic decision making process

**Hurdles and pain points of the strategy process**

<table>
<thead>
<tr>
<th>Issue</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategy department gets different tasks in times of economic down-turns (e.g. cost reduction)</td>
<td>3.05</td>
<td>3.17</td>
</tr>
<tr>
<td>Success of strategy development cannot be measured accurately</td>
<td>3.01</td>
<td>2.95</td>
</tr>
<tr>
<td>Operational units do not follow strategic directives</td>
<td>2.78</td>
<td>2.98</td>
</tr>
<tr>
<td>Lack of support from management board</td>
<td>2.14</td>
<td>2.38</td>
</tr>
</tbody>
</table>

*Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)*

**KEY QUESTIONS**

- Do you frequently experience that predefined **responsibilities** are **adjusted** in the short run?

- Does your organization have a standardized approach to **measure the success** of strategy development accurately? If yes, how does it work?

- Do these hurdles and pain points reflect your own experience? Do you see additional **hurdles** and **paints points** in the strategic decision-making process?
Importance of almost all CSO tasks has **substantially increased** compared to last year.

### Importance of CSO’s activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy formulation/planning</td>
<td>4.65</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.45</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic initiatives and programs</td>
<td>4.57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy implementation (incl. monitoring)</td>
<td>4.14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New business (model) development</td>
<td>4.14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.94</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sounding board for CEO or Board of Directors</td>
<td>4.08</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.03</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitive analysis/market research</td>
<td>3.92</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.62</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy communication to internal and external stakeholders</td>
<td>3.71</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.52</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance evaluation of strategic projects</td>
<td>3.67</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mergers &amp; acquisitions</td>
<td>3.63</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.74</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic alliances</td>
<td>3.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coordination across-businesses (synergy management)</td>
<td>3.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divestitures</td>
<td>2.90</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.62</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Functional strategies (e.g., IT, marketing, sales, etc.)</td>
<td>2.82</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.77</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investor relations</td>
<td>2.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 = To no extent 5 = To a very great extent

**TAKEAWAYS**

> While almost every activity **gained relevance** compared to last years survey, **M&A tasks** are considered less relevant for the CSOs.

> Firms **optimize** the value captured from their existing portfolios by **coordinating activities across businesses** to realize synergies or by **divesting businesses**.

> In 2012, CSOs tend to focus more on activities related to the **strategy process**, particularly on **strategy implementation**.

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Besides corporate development, **process management** is a key focus of the CSO role.

% CSOs considering activity important

<table>
<thead>
<tr>
<th>&quot;CORPORATE DEVELOPMENT&quot;</th>
<th>&quot;PORTFOLIO MANAGEMENT&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy formulation/ planning</td>
<td>Strategic alliances</td>
</tr>
<tr>
<td>25.7% 68.6%</td>
<td>28.6% 11.4%</td>
</tr>
<tr>
<td>Strategic initiatives and programs</td>
<td>Mergers &amp; acquisitions</td>
</tr>
<tr>
<td>22.9% 65.7%</td>
<td>22.9% 28.6%</td>
</tr>
<tr>
<td>Sounding board for CEO</td>
<td>Divestitures</td>
</tr>
<tr>
<td>48.6% 34.3%</td>
<td>25.7% 0.0%</td>
</tr>
<tr>
<td>New business (model) development</td>
<td>Coordination across-businesses (synergy management)</td>
</tr>
<tr>
<td>40.0% 42.9%</td>
<td>45.7% 14.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>&quot;PROCESS MANAGEMENT&quot;</th>
<th>&quot;CEO ASSISTANCE&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy implementation (incl. monitoring)</td>
<td>Strategy communication to stakeholders</td>
</tr>
<tr>
<td>37.1% 40.0%</td>
<td>45.7% 14.3%</td>
</tr>
<tr>
<td>Performance evaluation of strategic projects</td>
<td>Investor relations</td>
</tr>
<tr>
<td>28.6% 28.6%</td>
<td>11.4% 2.9%</td>
</tr>
<tr>
<td>Competitive analysis/ market research</td>
<td>Functional strategies (e.g. IT, marketing, sales)</td>
</tr>
<tr>
<td>40.0% 40.0%</td>
<td>25.7% 8.6%</td>
</tr>
</tbody>
</table>

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
High performing firms focus their collaboration efforts to selected functions

Collaboration with centralized corporate-level functions

<table>
<thead>
<tr>
<th>Function</th>
<th>High performing firms</th>
<th>Low performing firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling</td>
<td>3.83</td>
<td>1.94</td>
</tr>
<tr>
<td>Finance</td>
<td>3.44</td>
<td>2.33</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.39</td>
<td>2.17</td>
</tr>
<tr>
<td>Communications/PR</td>
<td>3.28</td>
<td>1.94</td>
</tr>
<tr>
<td>Human resources</td>
<td>3.17</td>
<td>1.79</td>
</tr>
<tr>
<td>Legal</td>
<td>3.11</td>
<td>2.79</td>
</tr>
<tr>
<td>IT</td>
<td>2.83</td>
<td>2.26</td>
</tr>
<tr>
<td>Supply chain mgmt.</td>
<td>2.78</td>
<td>2.26</td>
</tr>
<tr>
<td>Compliance</td>
<td>2.56</td>
<td>2.29</td>
</tr>
<tr>
<td>Risk management</td>
<td>2.39</td>
<td>2.26</td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td>2.39</td>
<td>2.26</td>
</tr>
<tr>
<td>Corporate affairs</td>
<td>2.28</td>
<td>2.39</td>
</tr>
<tr>
<td>Accounting</td>
<td>2.17</td>
<td>2.26</td>
</tr>
<tr>
<td>Internal audit</td>
<td>1.94</td>
<td>2.33</td>
</tr>
</tbody>
</table>

TAKEAWAYS

> High-performing firms focus their cross-functional collaboration efforts much more on certain selected functions than low-performing firms.

> Strategy departments of high performing firms collaborate more with functions that are top-line oriented (e.g., marketing); vice versa do the low-performing firms concentrate on bottom-line functions (e.g., risk management, accounting).

Source: University of St. Gallen; Roland Berger Strategy Consultants (CSO Survey 2012)
Insight 6

Standard approach for measuring impact of strategic decisions is not yet established

Measurement of the department’s value creation

- Measuring the value creation of the strategy department is difficult
  - 4.21

- The value creation of the strategy department is mainly the CEO’s perception of its value creation
  - 3.95

- Measuring the value creation of the strategy department is important
  - 3.36

- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (e.g., divisional heads)
  - 3.07

- The value creation of the strategy department is regularly measured in our firm
  - 1.98

- The value creation of the strategy department is measured transparent and quantifiable
  - 1.74

TAKEAWAYS

- Value creation is currently primarily measured by the CEO’s perception

- The need for a standardized way of measuring the strategy department’s value creation is clearly addressed, but seen as a highly difficult task

- Most firms currently fail in establishing a transparent and quantifiable way of measuring the impact of strategic decisions on value creation
III. Chief Strategy Officer Survey 2012

Complete overview of study results
Detailed overview of the study method

Sample 2012: 54 respondents (2011: 90 respondents)

Sample analysis:
> Comparison of the 2012 results with the previous year
> Analyses of subgroups of the 2012 sample (where applicable):

<table>
<thead>
<tr>
<th>Industry subgroups</th>
<th>Firm performance subgroups</th>
<th>Strategic decision quality subgroups</th>
<th>Organization design subgroups</th>
<th>Firm size subgroups</th>
</tr>
</thead>
</table>
| > Classification of the sample into five industry groups: Financial services, retail & consumer products, industrial sector, life sciences, services | > Multi-item average of CSO's assessment of their firm's performance in 2011 relative to their competitors (growth in sales, growth in profitability, EBIT, ROE, and financial gearing)  
> Classification of high vs. low performers (median split) | > Multi-item average of CSO's assessment of their firm's quality of strategic decisions  
> Classification of companies with high vs. low strategic decision quality (median split) | > Multi-item CSO's assessment of their firm's centralization of strategic decision-making  
> Classification of companies with centralized vs. decentralized strategic decision-making | > Classification of the sample into large (>25'000 employees), medium (5'001 to 25'000 employees) and small (5'000 and less employees) companies |
Profile of the participants: **Industries**

**Sample distribution: Industry sectors 2012**

- Financial Services: 33%
- Retail and Consumer Products: 21%
- Industrial Sector: 12%
- Life Sciences: 10%
- Services (Media, Comm., Transportation, Logistics): 24%

**Sample distribution: Industry sectors 2011**

- Financial Services: 39%
- Retail and Consumer Products: 19%
- Industrial Sector: 12%
- Life Sciences: 6%
- Services (Media, Comm., Transportation, Logistics): 24%
Profile of the participants: Firm size

Sample distribution: Firm size (No. of employees)

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 2,500</td>
<td>23.9%</td>
<td>22.3%</td>
</tr>
<tr>
<td>2,500 - 49,999</td>
<td>54.3%</td>
<td>58.5%</td>
</tr>
<tr>
<td>More than 50,000</td>
<td>21.7%</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

Mean: 20,904 employees (2012), 33,103 employees (2011)
Profile of the participants: No. of employees in the strategy department

No. of employees in the strategy department 2012

- Fewer than 5: 0.0%
- 5 to 9: 7.0%
- 10 to 19: 4.7%
- 20 to 49: 39.5%
- 50 to 99: 14.0%
- More than 100: 34.9%

No. of employees in the strategy department 2011

- Fewer than 5: 2.0%
- 5 to 9: 8.0%
- 10 to 19: 16.0%
- 20 to 49: 32.0%
- 50 to 99: 40.0%
- More than 100: 32.0%
General aspects of the CSO role

What is your level of hierarchy (CEO = 1)?

CSO's level of hierarchy 2012

- 1 (e.g., CSO is also CEO)
- 2 (e.g., reporting to the CEO)
- 3 (e.g., reporting to an exec. one level below the CEO)
- 4 (e.g., reporting to an exec. two levels below the CEO)

CSO's level of hierarchy 2011

- 1 (e.g., CSO is also CEO)
- 2 (e.g., reporting to the CEO)
- 3 (e.g., reporting to an exec. one level below the CEO)
General aspects of the CSO role

To whom do you report directly/indirectly

### CSO's reporting line(s) 2012

- **CEO**: 35 (Directly: 14, Indirectly: 21)
- **CFO**: 10 (Directly: 6, Indirectly: 4)
- **Other Executives**: 8 (Directly: 8, Indirectly: 0)
- **BoD**: 18 (Directly: 18, Indirectly: 0)
General aspects of the CSO role: All Firms

Do you lead a department dedicated for strategy/development/etc.?

**Strategy department leader 2012**
- Yes: 13.2%
- No: 86.8%

**Strategy department leader 2011**
- Yes: 9.1%
- No: 90.9%
General aspects of the CSO role: Various Industries

Do you lead a department dedicated for strategy/development/etc.?

**Strategy department leader 2012**

- **Retail**: 100% Yes, 0% No
- **Life Science**: 100% Yes, 0% No
- **Financial Services**: 77.8% Yes, 22.2% No
- **Services**: 90.0% Yes, 10.0% No
- **Industrial**: 71.4% Yes, 28.6% No
General aspects of the CSO role: Firm size

Do you lead a department dedicated for strategy/development/etc.?

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>72.2%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Medium</td>
<td>92.3%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Large</td>
<td>91.7%</td>
<td>8.3%</td>
</tr>
</tbody>
</table>
General aspects of the CSO role: All Firms

How many people are working in this department (FTEs end of 2011)?

<table>
<thead>
<tr>
<th>No. of employees in the strategy department 2012</th>
<th>No. of employees in the strategy department 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 5</td>
<td>14.0%</td>
</tr>
<tr>
<td>5 to 9</td>
<td>39.5%</td>
</tr>
<tr>
<td>10 to 19</td>
<td>34.9%</td>
</tr>
<tr>
<td>20 to 49</td>
<td>7.0%</td>
</tr>
<tr>
<td>More than 100</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Mean: 11.2 employees (2012), 16.4 employees (2011); Median: 6 employees (2012), 7 employees (2011)
General aspects of the CSO role: Various Industries

How many people are working in this department (FTEs end of 2011)?

**Median of employees in the strategy department 2012**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Median # of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>6.0</td>
</tr>
<tr>
<td>Retail</td>
<td>8.0</td>
</tr>
<tr>
<td>Industrial</td>
<td>11.5</td>
</tr>
<tr>
<td>Life Science</td>
<td>7.0</td>
</tr>
<tr>
<td>Services</td>
<td>4.5</td>
</tr>
</tbody>
</table>
General aspects of the CSO role: Firm size

How many people are working in this department (FTEs end of 2011)?

**Median of employees in the strategy department 2012**

- **Small**: 4.5
- **Medium**: 7.5
- **Large**: 10.0
How many full-time strategists/corporate developers are working else-where/additionally in your firm (FTEs end of 2011)?

No. of employees in the strategy department 2012

- 34.1%
- 20.5%
- 11.4%
- 13.6%
- 20.5%

- 0
- Fewer than 5
- 5 to 9
- 10 to 19
- 20 to 50
General aspects of the CSO role: All Firms

How many years of experience in the focal firm did you have when assuming the CSO role?

CSO’s firm-specific experience in 2012

- 45.1% Outsider (<2 yrs)
- 25.5% Insider (2-5 yrs)
- 21.6% Insider (6-10 yrs)
- 7.8% Insider (>10 yrs)
General aspects of the CSO role: Various Industries

How many years of experience in the focal firm did you have when assuming the CSO role?

**CSO’s firm-specific experience in 2012**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Outsider (&lt;2 yrs)</th>
<th>Insider (2-5 yrs)</th>
<th>Insider (6-10 yrs)</th>
<th>Insider (&gt;10 yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>33.3%</td>
<td>55.6%</td>
<td>11.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Retail</td>
<td>100.0%</td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Industrial</td>
<td>42.9%</td>
<td>28.6%</td>
<td>21.4%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Life Science</td>
<td>40.0%</td>
<td>20.0%</td>
<td>40.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Services</td>
<td>40.0%</td>
<td>20.0%</td>
<td>20.0%</td>
<td>20.0%</td>
</tr>
</tbody>
</table>
How many years of experience in the focal firm did you have when assuming the CSO role?

**CSO’s firm-specific experience in 2012**

<table>
<thead>
<tr>
<th>Experience Level</th>
<th>Outsider (&lt;2 yrs)</th>
<th>Insider (2-5 yrs)</th>
<th>Insider (6-10 yrs)</th>
<th>Insider (&gt;10 yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>54.2%</td>
<td>25.0%</td>
<td>12.5%</td>
<td>8.3%</td>
</tr>
<tr>
<td>High</td>
<td>38.9%</td>
<td>27.8%</td>
<td>22.2%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

- Outsider (<2 yrs)
- Insider (2-5 yrs)
- Insider (6-10 yrs)
- Insider (>10 yrs)
How many years of experience in the focal firm did you have when assuming the CSO role?

### CSO’s firm-specific experience in 2012

- **Low**
  - Outsider (<2 yrs): 53.6%
  - Insider (2-5 yrs): 28.6%
  - Insider (6-10 yrs): 10.7%
  - Insider (>10 yrs): 7.1%

- **High**
  - Outsider (<2 yrs): 33.3%
  - Insider (2-5 yrs): 22.2%
  - Insider (6-10 yrs): 33.3%
  - Insider (>10 yrs): 11.1%
General aspects of the CSO role: Firm size

How many years of experience in the focal firm did you have when assuming the CSO role?

**CSO’s firm-specific experience in 2012**

- **Small**
  - Outsider (<2 yrs): 55.6%
  - Insider (2-5 yrs): 33.3%
  - Insider (6-10 yrs): 5.6%
  - Insider (>10 yrs): 5.6%

- **Medium**
  - Outsider (<2 yrs): 46.2%
  - Insider (2-5 yrs): 30.8%
  - Insider (6-10 yrs): 15.4%
  - Insider (>10 yrs): 7.7%

- **Large**
  - Outsider (<2 yrs): 33.3%
  - Insider (2-5 yrs): 16.7%
  - Insider (6-10 yrs): 33.3%
  - Insider (>10 yrs): 16.7%
Activities: All Firms (I/V)

For each of the following activities, please indicate their importance as part of your job

Importance of CSO's activities

Strategy formulation/planning.
Strategic initiatives and programs.
Strategy implementation (incl. monitoring).
New business (model) development.
Sounding board for CEO or Board of Directors.
Competitive analysis/market research.
Strategy communication to internal and external stakeholders.
Performance evaluation of strategic projects.
Mergers & acquisitions.
Strategic alliances.
Coordination across-businesses (synergy management).
Divestitures.
Functional strategies (e.g., IT, marketing, sales, etc.).
Investor relations.

Mean values: 1: not important, 5: very important

2012 2011
For each of the following activities, please indicate their importance as part of your job.

% of CSOs considering activity "important" or "very important" 2012

- Strategy formulation/planning: 23.5% important, 72.5% very important
- Strategic initiatives and programs: 25.5% important, 66.7% very important
- New business (model) development: 43.1% important, 41.2% very important
- Sounding board for CEO or Board of Directors: 43.1% important, 39.2% very important
- Strategy implementation (incl. monitoring): 35.3% important, 43.1% very important
- Competitive analysis/market research: 33.3% important, 39.2% very important
- Strategy communication to internal and external stakeholders: 45.1% important, 29.4% very important
- Performance evaluation of strategic projects: 31.4% important, 21.6% very important
- Coordination across-businesses (synergy management): 19.6% important, 39.2% very important
- Mergers & acquisitions: 19.6% important, 39.2% very important
- Strategic alliances: 43.1% important, 13.7% very important
- Divestitures: 35.3% important, 15.7% very important
- Functional strategies (e.g., IT, marketing, sales, etc.): 25.5% important, 11.8% very important
- Investor relations: 25.5% important, 7.8% very important

Important  Very important
Activities: All Firms (III/V)

For each of the following activities, please indicate their importance as part of your job

% of CSOs considering activity "important" or "very important" 2012 vs. 2011

- Strategy formulation/planning: 96.08% (2012) vs. 92.16% (2011)
- Strategic initiatives and programs: 84.31% (2012) vs. 88.18% (2011)
- New business (model) development: 57.27% (2012) vs. 60.78% (2011)
- Sounding board for CEO or Board of Directors: 78.43% (2012) vs. 75.45% (2011)
- Strategy implementation (incl. monitoring): 66.67% (2012) vs. 71.82% (2011)
- Competitive analysis/market research: 55.45% (2012) vs. 62.73% (2011)
- Strategy communication to internal and external stakeholders: 55.45% (2012) vs. 66.67% (2011)
- Performance evaluation of strategic projects: 46.36% (2012) vs. 50.98% (2011)
- Mergers & acquisitions: 46.36% (2012) vs. 58.82% (2011)
- Coordination across-businesses (synergy management): 34.55% (2012) vs. 40.00% (2011)
- Strategic alliances: 33.33% (2012) vs. 37.25% (2011)
- Divestitures: 27.27% (2012) vs. 33.33% (2011)
- Functional strategies (e.g., IT, marketing, sales, etc.): 16.36% (2012) vs. 15.69% (2011)
- Investor relations: 0% (2012) vs. 0% (2011)

For each of the following activities, please indicate their importance as part of your job.

- New business (model) development
- Sounding board for CEO or Board of Directors
- Strategy implementation (incl. monitoring)
- Competitive analysis/market research
- Strategy communication to internal and external stakeholders
- Performance evaluation of strategic projects
- Mergers & acquisitions
- Coordination across-businesses (synergy management)
- Strategic alliances
- Divestitures
- Functional strategies (e.g., IT, marketing, sales, etc.)
- Investor relations
### Activities: All Firms (IV/V)

#### Classification of four activity clusters

<table>
<thead>
<tr>
<th>Classification</th>
<th>Corporate Development</th>
<th>Portfolio Management</th>
<th>Process Management</th>
<th>CSO Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&gt; Multi-item average of:</td>
<td>&gt; Multi-item average of:</td>
<td>&gt; Multi-item average of:</td>
<td>&gt; Multi-item average of:</td>
</tr>
<tr>
<td></td>
<td>- New business (model) development</td>
<td>- Coordination across-businesses (synergy management)</td>
<td>- Competitive analysis/market research</td>
<td>- Functional strategies (e.g., IT, marketing, sales, etc.)</td>
</tr>
<tr>
<td></td>
<td>- Sounding board for CEO or Board of Directors</td>
<td>- Divestitures</td>
<td>- Performance evaluation of strategic projects</td>
<td>- Investor relations</td>
</tr>
<tr>
<td></td>
<td>- Strategic initiatives and programs</td>
<td>- Mergers &amp; acquisitions</td>
<td>- Strategy implementation (incl. monitoring)</td>
<td>- Strategy communication to internal and external stakeholders</td>
</tr>
<tr>
<td></td>
<td>- Strategy formulation/planning</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Activities: All Firms (V/V)

For each of the following activities, please indicate their importance as part of your job.

% of CSOs considering activity "important" or "very important"

<table>
<thead>
<tr>
<th>Activity</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Development</td>
<td>88.7%</td>
<td>81.6%</td>
</tr>
<tr>
<td>Process Management</td>
<td>70.6%</td>
<td>61.8%</td>
</tr>
<tr>
<td>Portfolio Management</td>
<td>51.0%</td>
<td>43.9%</td>
</tr>
<tr>
<td>CEO assistance</td>
<td>38.6%</td>
<td>35.5%</td>
</tr>
</tbody>
</table>
Activities: High vs. Low Performer

For each of the following activities, please indicate their importance as part of your job.

**Average importance of CSO activity cluster 2012**

- **Corporate Development**
  - Low: 2.90
  - High: 4.44

- **Process Management**
  - Low: 2.83
  - High: 4.01

- **Portfolio Management**
  - Low: 3.57
  - High: 3.80

- **CEO assistance**
  - Low: 2.90
  - High: 3.25

Mean values: 1: not important, 5: very important
Activities: Quality of strategic decision

For each of the following activities, please indicate their importance as part of your job.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Average Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Development</td>
<td>4.47</td>
</tr>
<tr>
<td>Process Management</td>
<td>4.07</td>
</tr>
<tr>
<td>Portfolio Management</td>
<td>3.42</td>
</tr>
<tr>
<td>CEO assistance</td>
<td>3.06</td>
</tr>
</tbody>
</table>

Mean values: 1: not important, 5: very important.
Activities: Organization design

For each of the following activities, please indicate their importance as part of your job.

**Average importance of CSO activity cluster 2012**

- **Corporate Development**
  - Mean values: 4.35 (Centralized), 4.45 (Decentralized)

- **Process Management**
  - Mean values: 3.65 (Centralized), 3.22 (Decentralized)

- **Portfolio Management**
  - Mean values: 3.93 (Centralized), 4.00 (Decentralized)

- **CEO assistance**
  - Mean values: 2.86 (Centralized), 2.87 (Decentralized)

*Mean values: 1: not important, 5: very important*
Activities: Firm size

For each of the following activities, please indicate their importance as part of your job

Average importance of CSO activity cluster 2012

- **Corporate Development**
  - Large: 4.46
  - Medium: 4.24
  - Small: 4.56
- **Process Management**
  - Large: 3.83
  - Medium: 4.18
  - Small: 3.80
- **Portfolio Management**
  - Large: 3.27
  - Medium: 3.52
  - Small: 3.46
- **CEO assistance**
  - Large: 2.91
  - Medium: 3.08
  - Small: 2.67

Mean values: 1: not important, 5: very important
Cross-functional collaboration: All Firms

For each of the following centralized corporate-level functions, please indicate (a) their importance for your firm’s value creation and (b) the extent of collaboration on strategic projects of your department with them:

<table>
<thead>
<tr>
<th>Function</th>
<th>Importance</th>
<th>Collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal audit</td>
<td>2.12</td>
<td>2.26</td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td>2.64</td>
<td>2.53</td>
</tr>
<tr>
<td>Compliance</td>
<td>2.51</td>
<td>2.55</td>
</tr>
<tr>
<td>Supply chain management</td>
<td>2.54</td>
<td>2.53</td>
</tr>
<tr>
<td>Risk management</td>
<td>2.69</td>
<td>2.63</td>
</tr>
<tr>
<td>Communications/PR</td>
<td>3.18</td>
<td>3.26</td>
</tr>
<tr>
<td>Corporate affairs</td>
<td>2.90</td>
<td>2.98</td>
</tr>
<tr>
<td>Accounting</td>
<td>3.16</td>
<td>3.18</td>
</tr>
<tr>
<td>Human resources</td>
<td>2.90</td>
<td>2.90</td>
</tr>
<tr>
<td>IT</td>
<td>3.14</td>
<td>3.14</td>
</tr>
<tr>
<td>Risk management</td>
<td>3.14</td>
<td>3.14</td>
</tr>
<tr>
<td>Internal audit</td>
<td>3.18</td>
<td>3.18</td>
</tr>
<tr>
<td>Legal</td>
<td>3.35</td>
<td>3.35</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>Finance</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>IT</td>
<td>3.20</td>
<td>3.20</td>
</tr>
<tr>
<td>Legal</td>
<td>3.31</td>
<td>3.31</td>
</tr>
<tr>
<td>Accounting</td>
<td>3.67</td>
<td>3.67</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.67</td>
<td>3.67</td>
</tr>
<tr>
<td>Finance</td>
<td>3.94</td>
<td>3.94</td>
</tr>
<tr>
<td>Internal audit</td>
<td>4.10</td>
<td>4.10</td>
</tr>
<tr>
<td>Legal</td>
<td>4.14</td>
<td>4.14</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Cross-functional collaboration: High vs. Low Performer

For each of the following centralized corporate-level functions, please indicate (a) their importance for your firm’s value creation and (b) the extent of collaboration on strategic projects of your department with them:

**Importance of centralized corporate-level functions 2012**

- Controlling: Mean values 4.06, 3.72
- Finance: Mean values 4.08, 3.92
- Marketing: Mean values 3.93, 3.54
- Human resources: Mean values 3.39, 3.54
- Communications/PR: Mean values 2.89, 3.00
- IT: Mean values 3.11, 3.42
- Legal: Mean values 3.22, 3.28
- Supply chain management: Mean values 2.83, 3.08
- Risk management: Mean values 2.58, 3.04
- Accounting: Mean values 2.44, 2.91
- Corporate affairs: Mean values 2.39, 2.63
- Corporate (social) responsibility: Mean values 2.22, 2.57
- Internal audit: Mean values 2.57, 2.57

**Collaboration with centralized corporate-level functions 2012**

- Controlling: Mean values 3.83, 4.38
- Finance: Mean values 3.44, 4.37
- Marketing: Mean values 3.79, 4.34
- Human resources: Mean values 3.17, 3.79
- Communications/PR: Mean values 3.28, 3.34
- IT: Mean values 2.83, 3.33
- Legal: Mean values 3.11, 3.54
- Supply chain management: Mean values 2.26, 3.17
- Risk management: Mean values 2.56, 3.17
- Accounting: Mean values 1.94, 2.33
- Corporate affairs: Mean values 2.75, 3.39
- Corporate (social) responsibility: Mean values 2.61, 3.28
- Internal audit: Mean values 2.28, 2.61

Mean values: 1: to no extent, 5: to a very great extent
Cross-functional collaboration: Quality of strategic decisions

For each of the following centralized corporate-level functions, please indicate (a) their importance for your firm’s value creation and (b) the extent of collaboration on strategic projects of your department with them:

### Importance of centralized corporate-level functions 2012

- **Controlling**: 4.22
- **Finance**: 3.86
- **IT**: 3.61
- **Marketing**: 3.67
- **Communications/PR**: 3.56
- **Human resources**: 3.39
- **Supply chain management**: 3.28
- **Legal**: 3.28
- **Risk management**: 3.11
- **Corporate affairs**: 3.17
- **Compliance**: 3.11
- **Accounting**: 3.00
- **Corporate (social) responsibility**: 2.41
- **Internal audit**: 2.22

### Collaboration with centralized corporate-level functions 2012

- **Controlling**: 4.39
- **Finance**: 3.75
- **IT**: 3.25
- **Marketing**: 3.61
- **Communications/PR**: 3.11
- **Human resources**: 3.06
- **Supply chain management**: 2.86
- **Legal**: 3.50
- **Risk management**: 3.22
- **Corporate affairs**: 2.72
- **Compliance**: 2.68
- **Accounting**: 2.44
- **Corporate (social) responsibility**: 2.37
- **Internal audit**: 2.33

Mean values; 1: to no extent, 5: to a very great extent
Cross-functional collaboration: Organization design

For each of the following centralized corporate-level functions, please indicate (a) their importance for your firm's value creation and (b) the extent of collaboration on strategic projects of your department with them:

### Importance of centralized corporate-level functions 2012

<table>
<thead>
<tr>
<th>Function</th>
<th>Importance 1</th>
<th>Importance 2</th>
<th>Importance 3</th>
<th>Importance 4</th>
<th>Importance 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications/PR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply chain management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate affairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal audit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Collaboration with centralized corporate-level functions 2012

<table>
<thead>
<tr>
<th>Function</th>
<th>Collaboration 1</th>
<th>Collaboration 2</th>
<th>Collaboration 3</th>
<th>Collaboration 4</th>
<th>Collaboration 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications/PR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply chain management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate affairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal audit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Cross-functional collaboration: Firm size

For each of the following centralized corporate-level functions, please indicate (a) their importance for your firm’s value creation and (b) the extent of collaboration on strategic projects of your department with them:

### Importance of centralized corporate-level functions 2012

<table>
<thead>
<tr>
<th>Function</th>
<th>Large</th>
<th>Medium</th>
<th>Small</th>
<th>Mean values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling</td>
<td>4.90</td>
<td>4.76</td>
<td>4.08</td>
<td>4.33</td>
</tr>
<tr>
<td>Finance</td>
<td>3.76</td>
<td>3.89</td>
<td>3.83</td>
<td>3.85</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.11</td>
<td>3.61</td>
<td>3.17</td>
<td>3.17</td>
</tr>
<tr>
<td>IT</td>
<td>3.11</td>
<td>3.61</td>
<td>3.17</td>
<td>3.17</td>
</tr>
<tr>
<td>Human resources</td>
<td>3.14</td>
<td>3.61</td>
<td>3.22</td>
<td>3.22</td>
</tr>
<tr>
<td>Communications/PR</td>
<td>2.82</td>
<td>3.77</td>
<td>3.61</td>
<td>3.54</td>
</tr>
<tr>
<td>Legal</td>
<td>2.87</td>
<td>3.61</td>
<td>3.14</td>
<td>3.14</td>
</tr>
<tr>
<td>Risk management</td>
<td>2.67</td>
<td>3.14</td>
<td>2.69</td>
<td>2.69</td>
</tr>
<tr>
<td>Supply chain management</td>
<td>2.22</td>
<td>2.87</td>
<td>2.69</td>
<td>2.69</td>
</tr>
<tr>
<td>Compliance</td>
<td>2.00</td>
<td>2.39</td>
<td>2.39</td>
<td>2.33</td>
</tr>
<tr>
<td>Accounting</td>
<td>2.00</td>
<td>2.39</td>
<td>2.39</td>
<td>2.33</td>
</tr>
<tr>
<td>Corporate affairs</td>
<td>1.83</td>
<td>2.36</td>
<td>2.38</td>
<td>2.33</td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td>2.36</td>
<td>2.46</td>
<td>2.82</td>
<td>2.64</td>
</tr>
<tr>
<td>Internal audit</td>
<td>1.83</td>
<td>2.36</td>
<td>2.38</td>
<td>2.33</td>
</tr>
</tbody>
</table>

### Mean values; 1: to no extent, 5: to a very great extent

### Collaboration with centralized corporate-level functions 2012

<table>
<thead>
<tr>
<th>Function</th>
<th>Large</th>
<th>Medium</th>
<th>Small</th>
<th>Mean values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling</td>
<td>3.77</td>
<td>4.06</td>
<td>4.06</td>
<td>4.03</td>
</tr>
<tr>
<td>Finance</td>
<td>3.58</td>
<td>3.46</td>
<td>3.46</td>
<td>3.46</td>
</tr>
<tr>
<td>Marketing</td>
<td>3.33</td>
<td>3.28</td>
<td>3.28</td>
<td>3.28</td>
</tr>
<tr>
<td>IT</td>
<td>3.06</td>
<td>3.06</td>
<td>3.06</td>
<td>3.06</td>
</tr>
<tr>
<td>Human resources</td>
<td>2.69</td>
<td>3.08</td>
<td>3.08</td>
<td>3.08</td>
</tr>
<tr>
<td>Communications/PR</td>
<td>2.89</td>
<td>3.08</td>
<td>3.08</td>
<td>3.08</td>
</tr>
<tr>
<td>Legal</td>
<td>3.33</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
</tr>
<tr>
<td>Risk management</td>
<td>3.33</td>
<td>3.33</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>Supply chain management</td>
<td>3.14</td>
<td>3.33</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>Compliance</td>
<td>3.14</td>
<td>3.33</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>Accounting</td>
<td>2.75</td>
<td>3.22</td>
<td>3.22</td>
<td>3.22</td>
</tr>
<tr>
<td>Corporate affairs</td>
<td>2.72</td>
<td>3.22</td>
<td>3.22</td>
<td>3.22</td>
</tr>
<tr>
<td>Corporate (social) responsibility</td>
<td>2.64</td>
<td>3.22</td>
<td>3.22</td>
<td>3.22</td>
</tr>
<tr>
<td>Internal audit</td>
<td>2.46</td>
<td>3.22</td>
<td>3.22</td>
<td>3.22</td>
</tr>
</tbody>
</table>
Factors affecting strategic decisions: All Firms

Please assess the extent to which the following aspects increase your strategic decisions' complexity:

### Factors affecting strategic decisions

- **Unstable and dynamic environment.**

- **Ambiguity of available information.**
  - Mean: 3.76 (2012), 3.67 (2011)

- **Conflicts concerning the outcomes of decisions among interested parties.**
  - Mean: 3.67 (2012), 3.60 (2011)

- **Lack of complete information.**
  - Mean: 3.46 (2012), 3.48 (2011)

- **Numerous complicated among organizational and environmental elements.**
  - Mean: 3.46 (2012), 3.46 (2011)

- **Regulated environment.**
  - Mean: 3.29 (2012), 3.28 (2011)

- **High level of related diversification of the business portfolio.**

- **High level of unrelated diversification of the business portfolio.**
  - Mean: 2.61 (2012), 3.09 (2011)

Mean values; 1: to no extent, 5: to a very great extent.
Factors affecting strategic decisions: High vs. Low Performer

Please assess the extent to which the following aspects increase your strategic decisions' complexity:

### Factors affecting strategic decisions 2012

<table>
<thead>
<tr>
<th>Factor</th>
<th>2012 mean</th>
<th>2011 mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unstable and dynamic environment.</td>
<td>3.72</td>
<td>3.83</td>
</tr>
<tr>
<td>Ambiguity of available information.</td>
<td>3.61</td>
<td>4.00</td>
</tr>
<tr>
<td>Conflicts concerning the outcomes of decisions among interested parties</td>
<td>3.33</td>
<td>3.54</td>
</tr>
<tr>
<td>Lack of complete information</td>
<td>3.33</td>
<td>3.17</td>
</tr>
<tr>
<td>Numerous complicated among organizational and environmental elements</td>
<td>3.28</td>
<td>3.46</td>
</tr>
<tr>
<td>Regulated environment.</td>
<td>3.28</td>
<td>3.88</td>
</tr>
<tr>
<td>High level of related diversification of the business portfolio</td>
<td>3.22</td>
<td>3.04</td>
</tr>
<tr>
<td>High level of unrelated diversification of the business portfolio</td>
<td>3.00</td>
<td>3.46</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent.
Factors affecting strategic decisions: Quality of strategic decisions

Please assess the extent to which the following aspects increase your strategic decisions' complexity:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Mean Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unstable and dynamic environment.</td>
<td>3.75</td>
</tr>
<tr>
<td>Ambiguity of available information.</td>
<td>3.83</td>
</tr>
<tr>
<td>Conflicts concerning the outcomes of decisions among interested parties</td>
<td>3.79</td>
</tr>
<tr>
<td>Lack of complete information</td>
<td>3.79</td>
</tr>
<tr>
<td>Numerous complicated among organizational and environmental elements</td>
<td>3.79</td>
</tr>
<tr>
<td>High level of unrelated diversification of the business portfolio</td>
<td>3.50</td>
</tr>
<tr>
<td>High level of related diversification of the business portfolio</td>
<td>3.28</td>
</tr>
<tr>
<td>Regulated environment</td>
<td>3.39</td>
</tr>
</tbody>
</table>
Factors affecting strategic decisions: Organization design

Please assess the extent to which the following aspects increase your strategic decisions' complexity:

Factors affecting strategic decisions 2012

- Conflicts concerning the outcomes of decisions among interested parties
- Ambiguity of available information
- Unstable and dynamic environment
- Lack of complete information
- Numerous complicated among organizational and environmental elements
- Regulated environment
- High level of unrelated diversification of the business portfolio
- High level of related diversification of the business portfolio

Mean values; 1: to no extent, 5: to a very great extent
Factors affecting strategic decisions: Firm size

Please assess the extent to which the following aspects increase your strategic decisions' complexity:

Factors affecting strategic decisions 2012

Ambiguity of available information
Unstable and dynamic environment
Conflicts concerning the outcomes of decisions among interested parties
Regulated environment
High level of related diversification of the business portfolio
Numerous complicated among organizational and environmental elements
Lack of complete information
High level of unrelated diversification of the business portfolio

Mean values; 1: to no extent, 5: to a very great extent
Involvement in strategic decisions: All Firms

Please indicate the extent to which the following persons/groups are involved in strategic decisions of your firm:

Who's involved in strategic decisions?

<table>
<thead>
<tr>
<th>Position</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>4.89</td>
<td>4.92</td>
</tr>
<tr>
<td>Board of directors</td>
<td>4.44</td>
<td>4.24</td>
</tr>
<tr>
<td>CSO</td>
<td>4.44</td>
<td>4.39</td>
</tr>
<tr>
<td>CFO</td>
<td>4.29</td>
<td>4.20</td>
</tr>
<tr>
<td>Other top management team members</td>
<td>3.76</td>
<td>4.06</td>
</tr>
<tr>
<td>Divisional managers</td>
<td>3.36</td>
<td>3.44</td>
</tr>
<tr>
<td>Middle managers</td>
<td>2.36</td>
<td>2.38</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Please indicate the extent to which the following persons/groups are involved in strategic decisions of your firm:

**Who's involved in strategic decisions?**

- **CEO**: High = 4.89, Low = 4.87
- **Board of directors**: High = 4.61, Low = 4.26
- **CSO**: High = 4.50, Low = 4.35
- **CFO**: High = 4.22, Low = 4.26
- **Other top management team members**: High = 3.83, Low = 3.65
- **Divisional managers**: High = 3.56, Low = 3.04
- **Middle managers**: High = 2.59, Low = 2.13

Mean values; 1: to no extent, 5: to a very great extent
Involvement in strategic decisions: Quality of strategic decisions

Please indicate the extent to which the following persons/groups are involved in strategic decisions of your firm:

<table>
<thead>
<tr>
<th>Who's involved in strategic decisions?</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>5</td>
<td>4.81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CSO</td>
<td>4.59</td>
<td>4.35</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board of directors</td>
<td>4.50</td>
<td>4.41</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFO</td>
<td>4.44</td>
<td>4.19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divisional managers</td>
<td>4.00</td>
<td>3.81</td>
<td>3.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other top management team members</td>
<td>3.67</td>
<td>3.81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td>2.53</td>
<td>2.26</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Involvement in strategic decisions: Organization design

Please indicate the extent to which the following persons/groups are involved in strategic decisions of your firm:

Who's involved in strategic decisions?

<table>
<thead>
<tr>
<th>Role</th>
<th>Mean Value (Centralized)</th>
<th>Mean Value (Decentralized)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>4.77</td>
<td>2.19</td>
</tr>
<tr>
<td>Board of directors</td>
<td>4.57</td>
<td>2.52</td>
</tr>
<tr>
<td>CSO</td>
<td>4.67</td>
<td>3.18</td>
</tr>
<tr>
<td>CFO</td>
<td>4.43</td>
<td>3.59</td>
</tr>
<tr>
<td>Other top management team members</td>
<td>4.32</td>
<td>3.91</td>
</tr>
<tr>
<td>Divisional managers</td>
<td>4.14</td>
<td>3.52</td>
</tr>
<tr>
<td>Middle managers</td>
<td>4.23</td>
<td>2.52</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Please indicate the extent to which the following persons/groups are involved in strategic decisions of your firm:

<table>
<thead>
<tr>
<th>Person/Group</th>
<th>Small</th>
<th>Medium</th>
<th>Large</th>
<th>Mean Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>4.23</td>
<td>4.50</td>
<td>4.82</td>
<td>4.47</td>
</tr>
<tr>
<td>CSO</td>
<td>4.25</td>
<td>4.47</td>
<td>4.82</td>
<td>4.69</td>
</tr>
<tr>
<td>CFO</td>
<td>4.12</td>
<td>4.38</td>
<td>4.69</td>
<td>4.35</td>
</tr>
<tr>
<td>Board of directors</td>
<td>3.58</td>
<td>3.46</td>
<td>3.85</td>
<td>3.65</td>
</tr>
<tr>
<td>Divisional managers</td>
<td>2.88</td>
<td>3.42</td>
<td>3.85</td>
<td>3.48</td>
</tr>
<tr>
<td>Other top management team members</td>
<td>2.08</td>
<td>2.50</td>
<td>3.88</td>
<td>2.78</td>
</tr>
<tr>
<td>Middle managers</td>
<td>2.35</td>
<td>3.50</td>
<td>5.00</td>
<td>3.75</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Centralization of strategic decision-making: All Firms (I/II)

Please indicate the extent to which your firm delegates strategic decision-making authority to the business units concerning the following issues:

**Decentralization of decision-making?**

- Choosing employee assignments for projects: 2012 Mean 4.18, 2011 Mean 4.09
- Promoting business unit staff: 2012 Mean 3.97, 2011 Mean 3.98
- Making minor non-capital expenditures: 2012 Mean 3.75, 2011 Mean 3.71
- Choosing business unit projects to work on: 2012 Mean 3.91, 2011 Mean 3.91
- Hiring and firing business unit staff: 2012 Mean 3.89, 2011 Mean 3.89
- Allocating salary raises: 2012 Mean 3.23, 2011 Mean 3.31
- Administering the salary administration systems: 2012 Mean 2.92, 2011 Mean 3.02
- Making major non-capital expenditures: 2012 Mean 2.93, 2011 Mean 2.81
- Making major capital expenditures: 2012 Mean 2.80, 2011 Mean 2.26

Mean values; 1: to no extent, 5: to a very great extent.
Centralization of strategic decision-making: All Firms (II/II)

Please indicate the extent to which your firm delegates strategic decision-making authority to the business units concerning the following issues:

**Decentralization of decision-making?**

<table>
<thead>
<tr>
<th>Year</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3.54</td>
</tr>
<tr>
<td>2011</td>
<td>3.46</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Centralization of strategic decision-making: Various industries

Please indicate the extent to which your firm delegates strategic decision-making authority to the business units concerning the following issues:

**Decentralization of decision-making?**

- Life Science: 4.16
- Retail: 3.72
- Financial Services: 3.63
- Services: 3.42
- Industrial: 3.25

Mean values; 1: to no extent, 5: to a very great extent
Centralization of strategic decision-making: High vs. Low Performer

Please indicate the extent to which your firm delegates strategic decision-making authority to the business units concerning the following issues:

### Decentralization of decision-making?

- Choosing employee assignments for projects.
  - Mean values: High (4.28), Low (4.04)
- Making minor non-capital expenditures.
  - Mean values: High (4.00), Low (4.06)
- Promoting business unit staff.
  - Mean values: High (3.75), Low (4.00)
- Hiring and firing business unit staff.
  - Mean values: High (3.83), Low (4.00)
- Choosing business unit projects to work on.
  - Mean values: High (3.39), Low (3.88)
- Allocating salary raises.
  - Mean values: High (3.43), Low (4.00)
- Making major capital expenditures.
  - Mean values: High (2.58), Low (3.00)
- Making major non-capital expenditures.
  - Mean values: High (2.78), Low (2.96)
- Administering the salary administration systems.
  - Mean values: High (2.67), Low (3.25)

Mean values; 1: to no extent, 5: to a very great extent
Quality of strategic decisions: All Firms (I/II)

Please indicate the extent to which the following is true for your firm's strategic decisions

### Quality of strategic decisions

- Strategic decisions make sense in light of the firm's current financial position: 
  - 2012: 4.22 (mean), 2011: 4.25 (mean)
- Strategic decisions are consistent with corporate goals: 
  - 2012: 4.15 (mean), 2011: 4.18 (mean)
- Strategic decisions are made based on the best available information: 
  - 2012: 4.11 (mean), 2011: 4.08 (mean)
- Strategic decisions are made based on valid assumptions: 
  - 2012: 4.07 (mean), 2011: 3.97 (mean)
- Strategic decisions contribute to the overall effectiveness of the firm: 
  - 2012: 3.85 (mean), 2011: 4.16 (mean)
- Strategic decisions make sense with respect to the environment: 
  - 2012: 3.72 (mean), 2011: 3.87 (mean)
- Strategic decisions are made through a clearly defined process of strategic planning: 
  - 2012: 3.57 (mean), 2011: 3.81 (mean)
Quality of strategic decisions: All Firms (II/II)

Please indicate the extent to which the following is true for your firm's strategic decisions:

**Overall high quality of strategic decisions**

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.05</td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.95</td>
</tr>
</tbody>
</table>

Mean values: 1: to no extent, 5: to a very great extent.
Quality of strategic decisions: Various industries

Please indicate the extent to which the following is true for your firm's strategic decisions

**Overall high quality of strategic decisions**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Science</td>
<td>4.11</td>
</tr>
<tr>
<td>Services</td>
<td>4.09</td>
</tr>
<tr>
<td>Financial Services</td>
<td>4.08</td>
</tr>
<tr>
<td>Retail</td>
<td>3.86</td>
</tr>
<tr>
<td>Industrial</td>
<td>3.80</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Quality of strategic decisions: High vs. Low Performer

Please indicate the extent to which the following is true for your firm's strategic decisions:

**Overall high quality of strategic decisions**

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>4.11</td>
<td>3.87</td>
</tr>
</tbody>
</table>

Mean values: 1: to no extent, 5: to a very great extent
Quality of strategic decisions: Organization design

Please indicate the extent to which the following is true for your firm's strategic decisions:

Overall high quality of strategic decisions

- Decentralized: 4.07
- Centralized: 3.84

Mean values; 1: to no extent, 5: to a very great extent
Quality of strategic decisions: Firm size

Please indicate the extent to which the following is true for your firm's strategic decisions

Overall high quality of strategic decisions

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>Mean</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large</td>
<td></td>
<td>4.24</td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td>4.12</td>
</tr>
<tr>
<td>Small</td>
<td></td>
<td>3.67</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty and the CSO role: All Firms

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your role:

**Uncertainty's effect on the CSO role**

- Identifying and analyzing changes in the environment is an important part of the CSO role
  - Mean: 4.42

- Cross-functional collaboration is important to effectively address the increasing uncertainty
  - Mean: 4.36

- The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions
  - Mean: 4.09

- The increasing uncertainty/volatility leads to an increased importance of the CSO role
  - Mean: 3.78

- The CSO role has changed over the past few years.
  - Mean: 3.57

- The increasing uncertainty/volatility requires an increased number of strategy staff
  - Mean: 2.64

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty and the CSO role: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your role:

**Uncertainty's effect on the CSO role**

- Identifying and analyzing changes in the environment is an important part of the CSO role
  - Mean values: High 4.35, Low 4.46, 4.46

- Cross-functional collaboration is important to effectively address the increasing uncertainty
  - Mean values: High 4.24, Low 4.50, 4.50

- The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions
  - Mean values: High 3.88, Low 4.17, 4.17

- The increasing uncertainty/volatility leads to an increased importance of the CSO role
  - Mean values: High 3.59, Low 3.92, 3.92

- The CSO role has changed over the past few years.
  - Mean values: High 3.56, Low 3.50, 3.50

- The increasing uncertainty/volatility requires an increased number of strategy staff
  - Mean values: High 2.71, Low 2.54, 2.54

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty and the CSO role: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your role:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean Value</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-functional collaboration is important to effectively address the increased uncertainty</td>
<td>4.44</td>
<td>4.30</td>
<td>4.39</td>
<td>4.44</td>
<td>4.17</td>
<td>4.00</td>
</tr>
<tr>
<td>Identifying and analyzing changes in the environment is an important part of the CSO role</td>
<td>4.44</td>
<td>4.39</td>
<td>4.39</td>
<td>4.44</td>
<td>4.17</td>
<td>4.00</td>
</tr>
<tr>
<td>The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions</td>
<td>4.44</td>
<td>4.39</td>
<td>4.39</td>
<td>4.44</td>
<td>4.17</td>
<td>4.00</td>
</tr>
<tr>
<td>The increasing uncertainty/volatility leads to an increased importance of the CSO role</td>
<td>4.44</td>
<td>4.39</td>
<td>4.39</td>
<td>4.44</td>
<td>4.17</td>
<td>4.00</td>
</tr>
<tr>
<td>The CSO role has changed over the past few years</td>
<td>3.78</td>
<td>3.42</td>
<td>3.42</td>
<td>3.78</td>
<td>3.42</td>
<td>3.42</td>
</tr>
<tr>
<td>The increasing uncertainty/volatility requires an increased number of strategy staff</td>
<td>2.74</td>
<td>2.50</td>
<td>2.50</td>
<td>2.74</td>
<td>2.50</td>
<td>2.50</td>
</tr>
</tbody>
</table>

Graph: Mean values; 1: to no extent, 5: to a very great extent.
Uncertainty and the CSO role: Organization design

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your role:

### Uncertainty's effect on the CSO role

- Identifying and analyzing changes in the environment is an important part of the CSO role: 4.36
- Cross-functional collaboration is important to effectively address the increased uncertainty: 4.32
- The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions: 4.00
- The increasing uncertainty/volatility leads to an increased importance of the CSO role: 3.68
- The CSO role has changed over the past few years: 3.36
- The increasing uncertainty/volatility requires an increased number of strategy staff: 2.73

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty and the CSO role: Firm size

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your role:

**Uncertainty's effect on the CSO role**

Cross-functional collaboration is important to effectively address the increased uncertainty

Identifying and analyzing changes in the environment is an important part of the CSO role

The CSO role has changed over the past few years

The increasing uncertainty/volatility requires an increased collaboration of the strategy department with other functions

The increasing uncertainty/volatility leads to an increased importance of the CSO role

The increasing uncertainty/volatility requires an increased number of strategy staff

![Bar chart showing the mean values for each statement across different firm sizes (Large, Medium, Small). Mean values range from 2.08 to 4.54, with 1 indicating 'to no extent' and 5 'to a very great extent'.](chart.png)
Uncertainty's effect on the strategy process: All Firms

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your firm’s strategy process:

### Uncertainty's effect on the strategy process

- There is a regular exchange with external experts on future industry/ regional development
- The development of my firm depends also on short-term, macro-economic events
- The strategy process is sufficiently flexible to be able to react to unforeseen changes
- A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning
- A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management
- To be able to address the uncertainty, there is a need for a leaner and more focused strategy process
- The strategy process has been adjusted to be able to anticipate the extreme events early on
- To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods

**Mean values:**

- 2.20
- 2.80
- 3.27
- 3.56
- 3.56
- 3.64
- 3.67
- 3.71
- 3.80

**Mean values; 1: to no extent, 5: to a very great extent**
Uncertainty's effect on the strategy process: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your firm’s strategy process:

**Uncertainty's effect on the strategy process**

<table>
<thead>
<tr>
<th>Statement</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>To be able to address the uncertainty, there is a need for a more complex strategy process</td>
<td>3.89</td>
<td>2.06</td>
</tr>
<tr>
<td>To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods</td>
<td>3.67</td>
<td>2.70</td>
</tr>
<tr>
<td>The strategy process has been adjusted to be able to anticipate the extreme events early on</td>
<td>3.65</td>
<td>2.30</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management</td>
<td>3.61</td>
<td>3.11</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>3.56</td>
<td>3.06</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning</td>
<td>3.55</td>
<td>2.94</td>
</tr>
<tr>
<td>The development of my firm depends also on short-term, macro-economic events</td>
<td>3.57</td>
<td>2.41</td>
</tr>
<tr>
<td>To be able to address the uncertainty, there is a need for a leaner and more focused strategy process</td>
<td>3.65</td>
<td>2.39</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning</td>
<td>3.61</td>
<td>2.30</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>3.75</td>
<td>3.06</td>
</tr>
<tr>
<td>There is a regular exchange with external experts on future industry/ regional development</td>
<td>3.74</td>
<td>3.06</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>3.74</td>
<td>2.94</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a leaner and more focused strategy process</td>
<td>3.74</td>
<td>2.94</td>
</tr>
<tr>
<td>The development of my firm depends also on short-term, macro-economic events</td>
<td>3.61</td>
<td>2.39</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>3.61</td>
<td>2.39</td>
</tr>
<tr>
<td>There is a regular exchange with external experts on future industry/ regional development</td>
<td>3.61</td>
<td>2.39</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty's effect on the strategy process: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your firm’s strategy process:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a regular exchange with external experts on future industry/ regional development</td>
<td>3.57</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>3.83</td>
</tr>
<tr>
<td>The development of my firm depends also on short-term, macro-economic events</td>
<td>3.72</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning</td>
<td>3.70</td>
</tr>
<tr>
<td>A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management</td>
<td>3.96</td>
</tr>
<tr>
<td>The strategy process has been adjusted to be able to anticipate the extreme events early on</td>
<td>3.07</td>
</tr>
<tr>
<td>To be able to address the uncertainty, there is a need for a leaner and more focused strategy process</td>
<td>3.33</td>
</tr>
<tr>
<td>To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods</td>
<td>3.70</td>
</tr>
<tr>
<td>The development of my firm depends also on short-term, macro-economic events</td>
<td>3.72</td>
</tr>
<tr>
<td>The strategy process is sufficiently flexible to be able to react to unforeseen changes</td>
<td>2.85</td>
</tr>
<tr>
<td>To be able to address the uncertainty, there is a need for a more complex strategy process</td>
<td>2.19</td>
</tr>
</tbody>
</table>

High Low
Mean values; 1: to no extent, 5: to a very great extent
Uncertainty's effect on the strategy process: Organization design

Please indicate the extent to which you agree with the following statements regarding the uncertainty’s effect on your firm’s strategy process:

Uncertainty's effect on the strategy process

A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning
A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management
There is a regular exchange with external experts on future developments
The development of my firm depends also on short-term, macro-economic events
The strategy process is sufficiently flexible to be able to react to unforeseen changes
To be able to address the uncertainty, there is a need for a leaner and more focused strategy process
The strategy process has been adjusted to be able to anticipate the extreme events early on
To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods
To be able to address the uncertainty, there is a need for a more complex strategy process

Decentralized  Centralized

Mean values; 1: to no extent, 5: to a very great extent
Uncertainty's effect on the strategy process: Firm size

Please indicate the extent to which you agree with the following statements regarding the uncertainty's effect on your firm's strategy process:

Uncertainty's effect on the strategy process

- There is a regular exchange with external experts on future industry/ regional development
- A higher degree of uncertainty requires a closer collaboration between strategic planning and operational planning
- The development of my firm depends also on short-term, macro-economic events
- To be able to address the uncertainty, there is a need for a leaner and more focused strategy process
- A higher degree of uncertainty requires a closer collaboration between strategic planning and risk management
- The strategy process has been adjusted to be able to anticipate the extreme events early on
- To be able to address the uncertainty, the strategy process requires more sophisticated tools and supportive methods
- To be able to address the uncertainty, there is a need for a more complex strategy process

Mean values; 1: to no extent, 5: to a very great extent
Megatrends and the strategy process: All Firms

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

**The influence of megatrends on the strategy process**

- Megatrends offer new opportunities for our firm. 4.42
- Megatrends will play an important role for our firm in the future. 4.14
- Our firm does actively identify and investigate megatrends. 3.64
- Megatrends are highly complex and have multiple influence on our firm. 3.60
- Megatrends are fully integrated in our firm’s strategic planning process. 3.33
- Megatrends threaten our firm’s strategic business model. 3.04
- Megatrends are still far in the future and not yet a strategic issue for our firm. 1.78

Mean values; 1: to no extent, 5: to a very great extent
Megatrends and the strategy process: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

### The influence of megatrends on the strategy process

- Megatrends offer new opportunities for our firm.
- Megatrends will play an important role for our firm in the future.
- Our firm does actively identify and investigate megatrends.
- Megatrends are fully integrated in our firm’s strategic planning process.
- Megatrends are highly complex and have multiple influence on our firm.
- Megatrends threaten our firm’s strategic business model.
- Megatrends are still far in the future and not yet a strategic issue for our firm.

![Bar chart showing mean values for high and low performers]

- **Mean values; 1: to no extent, 5: to a very great extent**
  - Megatrends offer new opportunities: Mean 4.26 (High), Mean 2.00 (Low)
  - Megatrends will play an important role: Mean 4.06 (High), Mean 3.67 (Low)
  - Our firm does actively identify and investigate megatrends: Mean 3.72 (High), Mean 3.13 (Low)
  - Megatrends are fully integrated in our firm’s strategic planning process: Mean 3.65 (High), Mean 3.67 (Low)
  - Megatrends are highly complex and have multiple influence on our firm: Mean 3.13 (High), Mean 3.57 (Low)
  - Megatrends threaten our firm’s strategic business model: Mean 2.83 (High), Mean 3.00 (Low)
  - Megatrends are still far in the future and not yet a strategic issue for our firm: Mean 1.50 (High), Mean 2.00 (Low)
Megatrends and the strategy process: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

**The influence of megatrends on the strategy process**

- Megatrends offer new opportunities for our firm.
- Megatrends will play an important role for our firm in the future.
- Megatrends are highly complex and have multiple influence on our firm.
- Our firm does actively identify and investigate megatrends.
- Megatrends are fully integrated in our firm’s strategic planning process.
- Megatrends threaten our firm’s strategic business model.
- Megatrends are still far in the future and not yet a strategic issue for our firm.

![Bar chart showing mean values for various statements about megatrends and their influence on strategy process.]

**Mean values; 1: to no extent, 5: to a very great extent**

- Megatrends offer new opportunities: Mean value 4.26
- Megatrends will play an important role: Mean value 4.06
- Megatrends are highly complex: Mean value 3.94
- Our firm does actively identify: Mean value 3.83
- Megatrends are fully integrated: Mean value 3.56
- Megatrends threaten our firm: Mean value 3.19
- Megatrends are still far in the future: Mean value 1.67
Megatrends and the strategy process: Organization design

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

**The influence of megatrends on the strategy process**

- Megatrends offer new opportunities for our firm.
- Megatrends will play an important role for our firm in the future
- Our firm does actively identify and investigate megatrends
- Megatrends are highly complex and have multiple influence on our firm
- Megatrends are fully integrated in our firm’s strategic planning process
- Megatrends threaten our firm’s strategic business model.
- Megatrends are still far in the future and not yet a strategic issue for our firm

Mean values; 1: to no extent, 5: to a very great extent

[Bar chart showing mean values for each statement]
Megatrends and the strategy process: Firm size

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

The influence of megatrends on the strategy process

- Megatrends offer new opportunities for our firm.
- Megatrends will play an important role for our firm in the future.
- Our firm does actively identify and investigate megatrends.
- Megatrends are highly complex and have multiple influence on our firm.
- Megatrends are fully integrated in our firm’s strategic planning process.
- Megatrends threaten our firm’s strategic business model.
- Megatrends are still far in the future and not yet a strategic issue for our firm.

Mean values: 1: to no extent, 5: to a very great extent.
Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

<table>
<thead>
<tr>
<th>Tools and methods in the strategy planning process</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tools to implement strategic plans (e.g., strategy roadmap)</td>
<td>4.07</td>
</tr>
<tr>
<td>Scenario-based planning including an identification of trends and uncertainties</td>
<td>3.91</td>
</tr>
<tr>
<td>Rolling adjustments of the strategic plans under consideration of recent developments</td>
<td>3.59</td>
</tr>
<tr>
<td>Consistency checks of alternative scenarios (checking for (in)eligible combinations)</td>
<td>3.33</td>
</tr>
<tr>
<td>Simulation and business intelligence tools to support decision making</td>
<td>3.30</td>
</tr>
<tr>
<td>Tools to analyze strategic issues and to analyze the ability to react to these issues</td>
<td>3.18</td>
</tr>
<tr>
<td>Definition and measurement of “early warning indicators” of potential threats on strategic plans</td>
<td>3.17</td>
</tr>
<tr>
<td>Real option valuation to consider flexibility in investment decisions</td>
<td>2.24</td>
</tr>
<tr>
<td>Wargaming</td>
<td>1.87</td>
</tr>
<tr>
<td>Monte Carlo analysis and other stochastic modeling techniques</td>
<td>1.74</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Tools/methods in the strategic planning process: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process:

**Tools and methods in the strategy planning process**

- Tools to implement strategic plans (e.g., strategy roadmap)
- Scenario-based planning including an identification of trends and uncertainties
- Rolling adjustments of the strategic plans under consideration of recent developments
- Definition and measurement of “early warning indicators” of potential threats on strategic plans
- Tools to analyze strategic issues and to analyze the ability to react to these issues
- Simulation and business intelligence tools to support decision making
- Consistency checks of alternative scenarios (checking for (in)eligible combinations
- Real option valuation to consider flexibility in investment decisions
- Wargaming
- Monte Carlo analysis and other stochastic modeling techniques

**Mean values; 1: to no extent, 5: to a very great extent**

- Monte Carlo analysis and other stochastic modeling techniques: Mean value 1.79
- Wargaming: Mean value 1.83
- Real option valuation to consider flexibility in investment decisions: Mean value 2.08
- Consistency checks of alternative scenarios (checking for (in)eligible combinations: Mean value 2.71
- Tools to analyze strategic issues and to analyze the ability to react to these issues: Mean value 3.18
- Simulation and business intelligence tools to support decision making: Mean value 3.22
- Definition and measurement of “early warning indicators” of potential threats on strategic plans: Mean value 3.42
- Rolling adjustments of the strategic plans under consideration of recent developments: Mean value 3.67
- Scenario-based planning including an identification of trends and uncertainties: Mean value 3.94
- Tools to implement strategic plans (e.g., strategy roadmap): Mean value 4.00
- Tools to implement strategic plans (e.g., strategy roadmap): Mean value 4.04
- Tools to implement strategic plans (e.g., strategy roadmap): Mean value 4.06
Tools/methods in the strategic planning process: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process

Tools and methods in the strategy planning process

- Tools to implement strategic plans (e.g., strategy roadmap)
- Scenario-based planning including an identification of trends and uncertainties
- Rolling adjustments of the strategic plans under consideration of recent developments
- Consistency checks of alternative scenarios (checking for (in)eligible combinations
- Definition and measurement of “early warning indicators” of potential threats on strategic plans
- Tools to analyze strategic issues and to analyze the ability to react to these issues
- Simulation and business intelligence tools to support decision making
- Real option valuation to consider flexibility in investment decisions
- Wargaming
- Monte Carlo analysis and other stochastic modeling techniques

Mean values; 1: to no extent, 5: to a very great extent
Tools/methods in the strategic planning process: Organization design

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process

**Tools and methods in the strategy planning process**

- Scenario-based planning including an identification of trends and uncertainties: Mean value 3.96
- Tools to implement strategic plans (e.g., strategy roadmap): Mean value 4.30
- Rolling adjustments of the strategic plans under consideration of recent developments: Mean value 3.35
- Simulation and business intelligence tools to support decision making: Mean value 3.35
- Consistency checks of alternative scenarios (checking for (in)eligible combinations): Mean value 3.13
- Tools to analyze strategic issues and to analyze the ability to react to these issues: Mean value 3.27
- Definition and measurement of “early warning indicators” of potential threats on strategic plans: Mean value 3.30
- Real option valuation to consider flexibility in investment decisions: Mean value 3.04
- Wargaming: Mean value 2.30
- Monte Carlo analysis and other stochastic modeling techniques: Mean value 1.91

Decentralized | Centralized
--- | ---
1.57 | 1.91
2.17 | 2.09
1.65 | 1.57
3.04 | 3.09
3.30 | 3.27
3.13 | 3.15
3.35 | 3.32
3.96 | 4.30

Mean values; 1: to no extent, 5: to a very great extent
## Tools/methods in the strategic planning process: Firm size

Please indicate the extent to which you agree with the following statements regarding the management of megatrends as part of your firm’s strategy process.

### Tools and methods in the strategy planning process

- Tools to implement strategic plans (e.g., strategy roadmap)
- Scenario-based planning including an identification of trends and uncertainties
- Rolling adjustments of the strategic plans under consideration of recent developments
- Simulation and business intelligence tools to support decision making
- Tools to analyze strategic issues and to analyze the ability to react to these issues
- Definition and measurement of “early warning indicators” of potential threats on strategic plans
- Consistency checks of alternative scenarios (checking for (in)eligible combinations
- Real option valuation to consider flexibility in investment decisions
- Monte Carlo analysis and other stochastic modeling techniques
- Wargaming

<table>
<thead>
<tr>
<th>Method</th>
<th>Small</th>
<th>Medium</th>
<th>Large</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tools to implement strategic plans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scenario-based planning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rolling adjustments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simulation and business intelligence tools</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tools to analyze strategic issues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Definition and measurement of “early warning indicators”</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consistency checks of alternative scenarios</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real option valuation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monte Carlo analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wargaming</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Managing strategic initiatives and programs: All Firms

Please indicate the extent to which you agree with the following statements regarding your firm’s strategic initiatives and programs activity:

**Management of strategic initiatives and programs**

- Strategic initiatives and programs are an important tool for strategy implementation
  - Mean: 4.20
- Strategic initiatives and programs have become increasingly important over the past few years
  - Mean: 4.11
- Strategic initiatives and programs are a critical part of the firm’s strategic leadership efforts
  - Mean: 3.82
- Strategic initiatives and programs are actively managed.
  - Mean: 3.77
- Strategic initiatives and programs enable our firm’s constant renewal
  - Mean: 3.72
- Our firm maintains a standardized process for managing strategic initiatives and programs
  - Mean: 3.05

Mean values; 1: to no extent, 5: to a very great extent
Managing strategic initiatives and programs: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding your firm’s strategic initiatives and programs activity:

**Management of strategic initiatives and programs**

<table>
<thead>
<tr>
<th>Statement</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic initiatives and programs are an important tool for strategy implementation</td>
<td>4.11</td>
<td>4.29</td>
</tr>
<tr>
<td>Strategic initiatives and programs have become increasingly important over the past few years</td>
<td>3.94</td>
<td>4.25</td>
</tr>
<tr>
<td>Strategic initiatives and programs enable our firm’s constant renewal</td>
<td>3.89</td>
<td>3.74</td>
</tr>
<tr>
<td>Strategic initiatives and programs are actively managed.</td>
<td>3.83</td>
<td>3.83</td>
</tr>
<tr>
<td>Strategic initiatives and programs are a critical part of the firm’s strategic leadership efforts</td>
<td>3.83</td>
<td>3.92</td>
</tr>
<tr>
<td>Our firm maintains a standardized process for managing strategic initiatives and programs</td>
<td>3.17</td>
<td>3.04</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Managing strategic initiatives and programs: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding your firm’s strategic initiatives and programs activity:

**Management of strategic initiatives and programs**

- Strategic initiatives and programs are an important tool for strategy implementation
- Mean value: 4.44
- Strategic initiatives and programs enable our firm’s constant renewal
- Mean value: 4.40
- Strategic initiatives and programs have become increasingly important over the past few years
- Mean value: 4.38
- Strategic initiatives and programs are a critical part of the firm’s strategic leadership efforts
- Mean value: 4.25
- Strategic initiatives and programs are actively managed.
- Mean value: 4.19
- Our firm maintains a standardized process for managing strategic initiatives and programs
- Mean value: 2.85

Mean values; 1: to no extent, 5: to a very great extent
Managing strategic initiatives and programs: Organization design

Please indicate the extent to which you agree with the following statements regarding your firm’s strategic initiatives and programs activity:

**Management of strategic initiatives and programs**

- Strategic initiatives and programs are an important tool for strategy implementation
- Strategic initiatives and programs have become increasingly important over the past few years
- Strategic initiatives and programs are actively managed.
- Strategic initiatives and programs are a critical part of the firm’s strategic leadership efforts
- Strategic initiatives and programs enable our firm’s constant renewal
- Our firm maintains a standardized process for managing strategic initiatives and programs

![Mean values; 1: to no extent, 5: to a very great extent](chart.png)
Managing strategic initiatives and programs: Firm size

Please indicate the extent to which you agree with the following statements regarding your firm’s strategic initiatives and programs activity:

Management of strategic initiatives and programs

- Strategic initiatives and programs are an important tool for strategy implementation
- Strategic initiatives and programs have become increasingly important over the past few years
- Strategic initiatives and programs are actively managed.
- Strategic initiatives and programs are a critical part of the firm’s strategic leadership efforts
- Strategic initiatives and programs enable our firm’s constant renewal
- Our firm maintains a standardized process for managing strategic initiatives and programs

Mean values; 1: to no extent, 5: to a very great extent
Measuring strategic impact: **All Firms**

Please indicate the extent to which you agree with the following statements regarding your department’s value creation (if no strategy department, please refer to your individual role):

**Measurement of the department's value creation**

- Measuring the value creation of the strategy department is difficult
  - Mean: 4.21
- The value creation of the strategy department is mainly the CEO's perception of its value creation
  - Mean: 3.95
- Measuring the value creation of the strategy department is important
  - Mean: 3.36
- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)
  - Mean: 3.07
- The value creation of the strategy department is regularly measured in our firm
  - Mean: 1.98
- The value creation of the strategy department is measured transparent and quantifiable
  - Mean: 1.74

Mean values: 1: to no extent, 5: to a very great extent
Measuring strategic impact: High vs. Low Performer

Please indicate the extent to which you agree with the following statements regarding your department’s value creation (if no strategy department, please refer to your individual role):

**Measurement of the department's value creation**

- The value creation of the strategy department is mainly the CEO's perception of its value creation
  - **Mean values:**
    - Low: 1.71
    - High: 3.94

- Measuring the value creation of the strategy department is difficult
  - **Mean values:**
    - Low: 2.39
    - High: 3.94

- Measuring the value creation of the strategy department is important
  - **Mean values:**
    - Low: 3.38
    - High: 3.83

- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)
  - **Mean values:**
    - Low: 2.06
    - High: 3.39

- The value creation of the strategy department is regularly measured in our firm
  - **Mean values:**
    - Low: 1.54
    - High: 3.92

- The value creation of the strategy department is measured transparent and quantifiable
  - **Mean values:**
    - Low: 1.71
    - High: 4.34

Legend:
- **High**
- **Low**

Mean values; 1: to no extent, 5: to a very great extent
Measuring strategic impact: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements regarding your department’s value creation (if no strategy department, please refer to your individual role):

**Measurement of the department's value creation**

- Measuring the value creation of the strategy department is difficult
- The value creation of the strategy department is mainly the CEO's perception of its value creation
- Measuring the value creation of the strategy department is important
- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)
- The value creation of the strategy department is regularly measured in our firm
- The value creation of the strategy department is measured transparent and quantifiable

Mean values; 1: to no extent, 5: to a very great extent
Measuring strategic impact: Organizational design

Please indicate the extent to which you agree with the following statements regarding your department’s value creation (if no strategy department, please refer to your individual role):

**Measurement of the department’s value creation**

- Measuring the value creation of the strategy department is difficult
- The value creation of the strategy department is mainly the CEO’s perception of its value creation
- Measuring the value creation of the strategy department is important
- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)
- The value creation of the strategy department is regularly measured in our firm
- The value creation of the strategy department is measured transparent and quantifiable

<table>
<thead>
<tr>
<th>Statement</th>
<th>Distributed</th>
<th>Centralized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measuring the value creation of the strategy department is difficult</td>
<td>1.27</td>
<td>4.05</td>
</tr>
<tr>
<td>The value creation of the strategy department is mainly the CEO’s perception of its value creation</td>
<td>1.78</td>
<td>4.17</td>
</tr>
<tr>
<td>Measuring the value creation of the strategy department is important</td>
<td>2.25</td>
<td>3.70</td>
</tr>
<tr>
<td>The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)</td>
<td>3.05</td>
<td>3.50</td>
</tr>
<tr>
<td>The value creation of the strategy department is regularly measured in our firm</td>
<td>3.05</td>
<td>3.30</td>
</tr>
<tr>
<td>The value creation of the strategy department is measured transparent and quantifiable</td>
<td>2.26</td>
<td>4.36</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Measuring strategic impact: Firm size

Please indicate the extent to which you agree with the following statements regarding your department’s value creation (if no strategy department, please refer to your individual role):

**Measurement of the department's value creation**

- Measuring the value creation of the strategy department is difficult
- The value creation of the strategy department is mainly the CEO's perception of its value creation
- Measuring the value creation of the strategy department is important
- The value creation of the strategy department is measured by relying on the judgment of key stakeholders other than the CEO (divisional heads)
- The value creation of the strategy department is regularly measured in our firm
- The value creation of the strategy department is measured transparent and quantifiable

<table>
<thead>
<tr>
<th>Statement</th>
<th>Large</th>
<th>Medium</th>
<th>Small</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult</td>
<td>4.67</td>
<td>4.23</td>
<td>3.88</td>
</tr>
<tr>
<td>CEO's perception</td>
<td>4.15</td>
<td>4.00</td>
<td>3.78</td>
</tr>
<tr>
<td>Important</td>
<td>3.46</td>
<td>3.39</td>
<td>3.33</td>
</tr>
<tr>
<td>Relying on judgment</td>
<td>3.36</td>
<td>3.17</td>
<td>1.92</td>
</tr>
<tr>
<td>Regularly measured</td>
<td>2.15</td>
<td>1.94</td>
<td>1.73</td>
</tr>
<tr>
<td>Transparent and quantifiable</td>
<td>1.75</td>
<td>1.72</td>
<td>1.75</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Relevance of strategic business model: All Firms

Please indicate the extent to which you agree with the following statements concerning your firm's strategic business model:

**Relevance of strategic business model**

1. The strategic business model is well defined and documented
   - 2012: 3.76, 2011: 3.83

2. The strategic business model is regularly scrutinized and further developed
   - 2012: 3.71, 2011: 3.83

3. The strategic business model is well known by management/senior management
   - 2012: 3.61, 2011: 3.94

4. My organization sees a clear need to further develop its business model
   - 2012: 3.60, 2011: 3.79

Mean values; 1: to no extent, 5: to a very great extent
Relevance of strategic business model: High vs. Low Performer

Please indicate the extent to which you agree with the following statements concerning your firm's strategic business model:

### Relevance of strategic business model 2012

<table>
<thead>
<tr>
<th>Statement</th>
<th>High Mean</th>
<th>Low Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategic business model is well defined and documented</td>
<td>3.94</td>
<td>3.63</td>
</tr>
<tr>
<td>The strategic business model is well known by management/senior management</td>
<td>3.76</td>
<td>3.48</td>
</tr>
<tr>
<td>The strategic business model is regularly scrutinized and further developed</td>
<td>3.75</td>
<td>3.71</td>
</tr>
<tr>
<td>My organization sees a clear need to further develop its business model</td>
<td>3.47</td>
<td>3.71</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Relevance of strategic business model: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements concerning your firm's strategic business model:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean Value</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategic business model is regularly scrutinized and further developed</td>
<td>3.48</td>
<td>3.67</td>
<td>3.93</td>
</tr>
<tr>
<td>The strategic business model is well defined and documented</td>
<td>3.52</td>
<td>3.67</td>
<td>3.93</td>
</tr>
<tr>
<td>My organization sees a clear need to further develop its business model</td>
<td>3.44</td>
<td>3.87</td>
<td>4.14</td>
</tr>
<tr>
<td>The strategic business model is well known by management/senior management</td>
<td>3.52</td>
<td>3.79</td>
<td>4.14</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Relevance of strategic business model: Organizational design

Please indicate the extent to which you agree with the following statements concerning your firm's strategic business model:

Relevance of strategic business model 2012

- The strategic business model is well defined and documented
  - Centralized: 3.50
  - Decentralized: 4.05

- My organization sees a clear need to further develop its business model
  - Centralized: 3.45
  - Decentralized: 3.75

- The strategic business model is regularly scrutinized and further developed
  - Centralized: 3.45
  - Decentralized: 4.00

- The strategic business model is well known by management/senior management
  - Centralized: 3.23
  - Decentralized: 4.05

Mean values; 1: to no extent, 5: to a very great extent
### Relevance of strategic business model: Firm size

Please indicate the extent to which you agree with the following statements concerning your firm's strategic business model:

#### Relevance of strategic business model 2012

<table>
<thead>
<tr>
<th>Statement</th>
<th>Large Mean</th>
<th>Medium Mean</th>
<th>Small Mean</th>
<th>1: to no extent</th>
<th>5: to a very great extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategic business model is well known by management/senior management</td>
<td>3.92</td>
<td>3.67</td>
<td>3.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organization sees a clear need to further develop its business model</td>
<td>3.83</td>
<td>3.67</td>
<td>3.39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The strategic business model is regularly scrutinized and further developed</td>
<td>3.75</td>
<td>3.91</td>
<td>3.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The strategic business model is well defined and documented</td>
<td>4.08</td>
<td>3.67</td>
<td>3.61</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Hot topics related to the strategic business model: All Firms

Please indicate the extent to which the following expresses the focus/goals of your firm's strategic business model:

Hot topics related to the strategic business model

Development of new innovative products/integrated solutions
Defining and exploiting new customer segment/groups
Entering new, emerging regions
Adding additional and innovative services to the organization's portfolio
Improvement of the organization's internal cross-selling/generation of cross-business synergies
Strategic partnering to complete the organization's offerings/to share customers
Planning a different configuration of the organization’s value chain (to improve efficiency/effectiveness (e.g. through outsourcing of different functions))
Use of direct channels (e.g. online) to serve the organization's customers
Planning to change the organization’s value creation model in the future (e.g. leasing, product usage fees, free offerings combined with fees for value-added services)
Launching e-business activities

Mean values: 1: to no extent, 5: to a very great extent

2012
2011
Hot topics related to the strategic business model: High vs. Low Performer

Please indicate the extent to which the following expresses the focus/goals of your firm's strategic business model:

### Hot topics related to the strategic business model

<table>
<thead>
<tr>
<th>Topic</th>
<th>High</th>
<th>Low</th>
<th>Mean Values</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of new innovative products/integrated solutions</td>
<td>4.11</td>
<td>3.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adding additional and innovative services to the organization's portfolio</td>
<td>4.00</td>
<td>3.22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining and exploiting new customer segment/groups</td>
<td>3.83</td>
<td>3.26</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entering new, emerging regions</td>
<td>3.67</td>
<td>3.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning a different configuration of the organization's value chain (to improve efficiency/effectiveness (e.g. through outsourcing of different functions))</td>
<td>3.52</td>
<td>3.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic partnering to complete the organization's offerings/to share customers</td>
<td>3.30</td>
<td>3.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvement of the organization's internal cross-selling/generation of cross-business synergies</td>
<td>3.35</td>
<td>3.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of direct channels (e.g. online) to serve the organization's customers</td>
<td>3.00</td>
<td>2.83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Launching e-business activities</td>
<td>2.91</td>
<td>2.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning to change the organization's value creation model in the future (e.g. leasing, product usage fees, free offerings combined with fees for value-added services)</td>
<td>2.78</td>
<td>2.78</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Hot topics related to the strategic business model: Quality of strategic decisions

Please indicate the extent to which the following expresses the focus/goals of your firm's strategic business model:

1. Planning to change the organization's value creation mode in the future (e.g., leasing, product usage fees, free offerings combined with fees for value-added services)
2. Use of direct channels (e.g., online) to serve the organization's customers
3. Improvement of the organization's internal cross-selling/generation of cross-business synergies
4. Launching e-business activities
5. Strategic partnering to complete the organization's offerings/to share customers
6. Planning a different configuration of the organization's value chain (to improve efficiency/effectiveness (e.g., through outsourcing of different functions))
7. Adding additional and innovative services to the organization's portfolio
8. Defining and exploiting new customer segment/-groups
9. Developing new innovative products/integrated solutions
10. Entering new, emerging regions
11. Launching e-business activities
12. Defining and exploiting new customer segment/-groups
13. Planning to change the organization's value creation model in the future (e.g., leasing, product usage fees, free offerings combined with fees for value-added services)

Mean values; 1: to no extent, 5: to a very great extent
Hot topics related to the strategic business model: Organizational design

Please indicate the extent to which the following expresses the focus/goals of your firm's strategic business model:

**Hot topics related to the strategic business model**

- Development of new innovative products/integrated solutions
- Adding additional and innovative services to the organization's portfolio
- Entering new, emerging regions
- Defining and exploiting new customer segment/-groups
- Planning a different configuration of the organization's value chain (to improve efficiency/effectiveness (e.g. through outsourcing of different functions))
- Use of direct channels (e.g. online) to serve the organization's customers
- Improvement of the organization's internal cross-selling/generation of cross-business synergies
- Strategic partnering to complete the organization's offerings/to share customers
- Launching e-business activities
- Planning to change the organization's value creation model in the future (e.g. leasing, product usage fees, free offerings combined with fees for value-added services)

**Mean values; 1: to no extent, 5: to a very great extent**

- Development of new innovative products/integrated solutions: 4.16
- Adding additional and innovative services to the organization's portfolio: 3.53
- Entering new, emerging regions: 3.52
- Defining and exploiting new customer segment/-groups: 3.43
- Planning a different configuration of the organization's value chain (to improve efficiency/effectiveness (e.g. through outsourcing of different functions)): 3.16
- Use of direct channels (e.g. online) to serve the organization's customers: 3.17
- Improvement of the organization's internal cross-selling/generation of cross-business synergies: 3.09
- Strategic partnering to complete the organization's offerings/to share customers: 3.00
- Launching e-business activities: 3.53
- Planning to change the organization's value creation model in the future (e.g. leasing, product usage fees, free offerings combined with fees for value-added services): 3.11

- **Centralized**
- **Decentralized**
Hot topics related to the strategic business model: Firm size

Please indicate the extent to which the following expresses the focus/goals of your firm's strategic business model:

**Hot topics related to the strategic business model**

- Entering new, emerging regions
- Development of new innovative products/integrated solutions
- Defining and exploiting new customer segment/groups
- Adding additional and innovative services to the organization's portfolio
- Launching e-business activities
- Strategic partnering to complete the organization's offerings/to share customers
- Use of direct channels (e.g. online) to serve the organization's customers
- Planning to change the organization's value creation model in the future (e.g. leasing, product usage fees, free offerings combined with fees for value-added services)
- Improvement of the organization's internal cross-selling/generation of cross-business synergies
- Planning a different configuration of the organization's value chain (to improve efficiency/effectiveness (e.g. through outsourcing of different functions))

Mean values; 1: to no extent, 5: to a very great extent
Implementation of hot topics: All Firms

Please indicate the extent to which your firm uses the following means to secure the implementation of the hot topics / of the strategic business model elements:

**Implementation of hot topics**

1. Our department is tracking/monitoring the implementation
2. Implementation normally delivers the expected results
3. Our company is good in implementing developed strategies/business models

<table>
<thead>
<tr>
<th>Mean values; 1: to no extent, 5: to a very great extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>------------------</td>
</tr>
<tr>
<td>3.63</td>
</tr>
</tbody>
</table>
Implementation of hot topics: High vs. Low Performer

Please indicate the extent to which your firm uses the following means to secure the implementation of the hot topics / of the strategic business model elements:

**Implementation of hot topics**

- Implementation normally delivers the expected results
  - Mean value: 3.25 (Low), 3.67 (High)
- Our company is good in implementing developed strategies/business models
  - Mean value: 2.92 (Low), 3.56 (High)
  - Mean value: 3.56 (Low), 3.71 (High)

Mean values; 1: to no extent, 5: to a very great extent
Implementation of hot topics: Quality of strategic decisions

Please indicate the extent to which your firm uses the following means to secure the implementation of the hot topics / of the strategic business model elements:

**Implementation of hot topics**

- Our department is tracking/monitoring the implementation
  - Mean value: 3.56

- Implementation normally delivers the expected results
  - Mean value: 3.26

- Our company is good in implementing developed strategies/business models
  - Mean value: 3.07
Implementation of hot topics: Organization Design

Please indicate the extent to which your firm uses the following means to secure the implementation of the hot topics / of the strategic business model elements:

Implementation of hot topics

- Our department is tracking/monitoring the implementation
- Implementation normally delivers the expected results
- Our company is good in implementing developed strategies/business models

Mean values; 1: to no extent, 5: to a very great extent

![Bar chart showing mean values for different implementation aspects]
Implementation of hot topics: Firm size

Please indicate the extent to which your firm uses the following means to secure the implementation of the hot topics / of the strategic business model elements:

**Implementation of hot topics**

- Our department is tracking/monitoring the implementation
  - Mean values: 4.00 (Large), 3.62 (Medium), 3.39 (Small)

- Implementation normally delivers the expected results
  - Mean values: 3.33 (Large), 3.69 (Medium), 3.28 (Small)

- Our company is good in implementing developed strategies/business models
  - Mean values: 2.94 (Large), 3.62 (Medium), 3.08 (Small)

Mean values; 1: to no extent, 5: to a very great extent
Hurdles and pain points: All Firms

Please indicate the extent to which the following aspects challenge your strategy work

Hurdles and pain points

The strategy department gets different tasks in times of economic downturn (e.g. cost reduction)
Success of strategy development cannot be measured accurately
Operational units do not follow strategic directives.
Lack of support from management board.

Mean values; 1: to no extent, 5: to a very great extent

- The strategy department gets different tasks in times of economic downturn (e.g. cost reduction): Mean value 2012 = 3.17, 2011 = 2.95
- Success of strategy development cannot be measured accurately: Mean value 2012 = 3.05, 2011 = 3.01
- Operational units do not follow strategic directives: Mean value 2012 = 2.98, 2011 = 2.78
- Lack of support from management board: Mean value 2012 = 2.38, 2011 = 2.14
Hurdles and pain points: High vs. Low Performer

Please indicate the extent to which the following aspects challenge your strategy work

**Hurdles and pain points 2012**

- The strategy department gets different tasks in times of economic downturn (e.g. cost reduction)
- Success of strategy development cannot be measured accurately
- Operational units do not follow strategic directives
- Lack of support from management board

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategy department gets different tasks</td>
<td>2.00</td>
<td>3.28</td>
</tr>
<tr>
<td>Success of strategy development</td>
<td>2.72</td>
<td>3.17</td>
</tr>
<tr>
<td>Operational units do not follow strategic directives</td>
<td>3.00</td>
<td>3.13</td>
</tr>
<tr>
<td>Lack of support from management board</td>
<td>2.61</td>
<td>3.00</td>
</tr>
</tbody>
</table>

Mean values; 1: to no extent, 5: to a very great extent
Hurdles and pain points: Quality of strategic decisions

Please indicate the extent to which the following aspects challenge your strategy work

<table>
<thead>
<tr>
<th>Hurdles and pain points 2012</th>
<th>Mean values</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategy department gets different tasks in times of economic downturn (e.g. cost reduction)</td>
<td>3.19</td>
<td>3.15</td>
<td>3.15</td>
</tr>
<tr>
<td>Operational units do not follow strategic directives</td>
<td>3.00</td>
<td>2.96</td>
<td>2.94</td>
</tr>
<tr>
<td>Success of strategy development cannot be measured accurately</td>
<td>2.94</td>
<td>2.94</td>
<td>3.12</td>
</tr>
<tr>
<td>Lack of support from management board</td>
<td>2.06</td>
<td>2.58</td>
<td>3.12</td>
</tr>
</tbody>
</table>

Note: Mean values; 1: to no extent, 5: to a very great extent
Hurdles and pain points: Organizational design

Please indicate the extent to which the following aspects challenge your strategy work

Hurdles and pain points 2012

- The strategy department gets different tasks in times of economic downturn (e.g. cost reduction)
- Success of strategy development cannot be measured accurately
- Operational units do not follow strategic directives
- Lack of support from management board

Mean values; 1: to no extent, 5: to a very great extent

1 2 3 4 5
Hurdles and pain points: Firm size

Please indicate the extent to which the following aspects challenge your strategy work

**Hurdles and pain points 2012**

- Operational units do not follow strategic directives
  - Large: 2.33
  - Medium: 3.33
  - Small: 3.00

- The strategy department gets different tasks in times of economic downturn (e.g. cost reduction)
  - Large: 1.75
  - Medium: 3.00
  - Small: 3.50

- Success of strategy development cannot be measured accurately
  - Large: 2.83
  - Medium: 3.06
  - Small: 3.11

- Lack of support from management board
  - Large: 2.50
  - Medium: 3.06
  - Small: 3.00

Mean values; 1: to no extent, 5: to a very great extent
Assessment of overall economic situation: All Firms

Please indicate the extent to which you agree with the following statements concerning the development of the economy:

1. I expect the European sovereign debt crisis to have a severe impact on the economy in the next quarter
   - 2011: 3.48
   - 2012: 3.44

2. I expect the US sovereign debt crisis to have a severe impact on the economy in the next quarter
   - 2011: 3.38
   - 2012: 3.47

3. The demographic changes and the related lack of a skilled workforce will significantly weaken Europe's economic position
   - 2011: 2.86
   - 2012: 3.03

4. The crisis in Middle East and North Africa is a threat for Europe's economy and stability
   - 2011: 2.38
   - 2012: 2.47

5. I expect the European economy to thrive during H2/2012 (2011)
   - 2011: 3.33
   - 2012: 4.07

Mean values; 1: to no extent, 5: to a very great extent
Assessment of overall economic situation: High vs. Low Performer

Please indicate the extent to which you agree with the following statements concerning the development of the economy:

**Assessment of overall economic situation 2012**

I expect the European sovereign debt crisis to have a severe impact on the economy in the next quarter

I expect the US sovereign debt crisis to have a severe impact on the economy in the next quarter

The demographic changes and the related lack of a skilled workforce will significantly weaken Europe's economic position

The crisis in Middle East and North Africa is a threat for Europe's economy and stability

I expect the European economy to thrive during H2/2012 (2011)

Mean values; 1: to no extent, 5: to a very great extent
Assessment of overall economic situation: Quality of strategic decisions

Please indicate the extent to which you agree with the following statements concerning the development of the economy:

**Assessment of overall economic situation 2012**

1. I expect the European sovereign debt crisis to have a severe impact on the economy in the next quarter
   - Mean value: 4.19
2. I expect the US sovereign debt crisis to have a severe impact on the economy in the next quarter
   - Mean value: 3.56
3. The demographic changes and the related lack of a skilled workforce will significantly weaken Europe's economic position
   - Mean value: 3.19
4. The crisis in Middle East and North Africa is a threat for Europe's economy and stability
   - Mean value: 2.81
5. I expect the European economy to thrive during H2/2012 (2011)
   - Mean value: 2.44

**Mean values; 1: to no extent, 5: to a very great extent**

- High
- Low
Assessment of overall economic situation: Organizational design

Please indicate the extent to which you agree with the following statements concerning the development of the economy:

**Assessment of overall economic situation 2012**

- I expect the European sovereign debt crisis to have a severe impact on the economy in the next quarter
- I expect the US sovereign debt crisis to have a severe impact on the economy in the next quarter
- The demographic changes and the related lack of a skilled workforce will significantly weaken Europe's economic position
- I expect the European economy to thrive during H2/2012 (2011)
- The crisis in Middle East and North Africa is a threat for Europe's economy and stability

Mean values; 1: to no extent, 5: to a very great extent
Assessment of overall economic situation: Firm size

Please indicate the extent to which you agree with the following statements concerning the development of the economy:

Assessment of overall economic situation 2012

I expect the European sovereign debt crisis to have a severe impact on the economy in the next quarter

I expect the US sovereign debt crisis to have a severe impact on the economy in the next quarter

The crisis in Middle East and North Africa is a threat for Europe’s economy and stability

The demographic changes and the related lack of a skilled workforce will significantly weaken Europe’s economic position

I expect the European economy to thrive during H2/2012 (2011)

Mean values; 1: to no extent, 5: to a very great extent
Firm information: All Firms

Is your firm publicly listed?

Publicly listed companies

- 2012: 75.0% (Yes) 25.0% (No)
- 2011: 69.9% (Yes) 30.1% (No)
Firm information: All Firms

Does your firm's board of directors have a strategy committee?

Strategy committee in board of directors

<table>
<thead>
<tr>
<th>Year</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>37.2%</td>
<td>62.8%</td>
</tr>
<tr>
<td>2011</td>
<td>27.8%</td>
<td>72.2%</td>
</tr>
</tbody>
</table>
Firm information: High vs. Low Performer

Does your firm's board of directors have a strategy committee?

Strategy committee in board of directors 2012

- **2012**
  - High: 56.3%
  - Low: 43.8%

- **2011**
  - High: 57.7%
  - Low: 42.3%
Firm information: Quality of strategic decisions

Does your firm's board of directors have a strategy committee?

Strategy committee in board of directors 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>59.3%</td>
<td>40.7%</td>
</tr>
<tr>
<td>2012</td>
<td>68.8%</td>
<td>31.3%</td>
</tr>
</tbody>
</table>
Firm information: All Firms

How many acquisitions did your firm perform over the past three years?
In how many strategic alliances did your firm engage over the past three years?

No. of recent acquisitions

- 0: 11.6%
- 1-3: 25.6%
- 4-10: 20.9%
- More than 10: 41.9%

No. of recent strategic alliances

- 0: 29.3%
- 1-3: 24.4%
- 4-10: 43.9%
- More than 10: 2.4%