

01 Management Strategy

01 Top management

01 Qualities as management

01 Appeal as a person

01 Are you emotionally stable, active and broad-minded? Aren't you capricious?

Y Are your air and your real nature consistent? Are you always calm and moderate?

N These characters are essential to the management. They attract people.

02 Are you a person of common sense? Can you provide solutions to problems in a fair manner?

Y Strong sense of justice and sympathy are also needed to the management.

N Personality as the management is important and commonsense is indispensable.

03 Are you passionately contributing to the society? Do you take part in helping others and participating in voluntary activities and the like positively?

Y Don't you neglect your business while you contribute to the society passionately?

N You should understand fully that the profit of an enterprise is a reward for the contribution to the society.

04 Are you healthy? Do you talk and behave vigorously?

Y Do you maintain your health considering your life plan?

N You cannot engage in successful business management without sound body and mind.

05 Do you grasp the facts objectively, try to understand positions of the opposition, and settle problems in a satisfactory manner?

Y Show examples of the recent settlements. How objectively do you grasp the facts? Has your opposition been satisfied?

N One-sided settlement based on your subjective judgment leaves a problem that your opposition is not satisfied.

02 Appeal as an organization member

01 Do you find worth and enjoyment in challenging reforms of the management environment?

Y Do you also enjoy the challenge not only trying hard?

N Dealing with changes of the environment is the essence of business management. Challenge the reform, considering it as a business chance.

02 Are you rich in specialized knowledge, good in selecting minimum required information and putting them in order?

Y Isn't your ample knowledge in a specialized area narrowing your eyes to the management as a whole?

N Not only depending on information from other people, but the management should select and arrange information for themselves.

03 Can you compose documents easy to understand, listen well in dialogues, and make speech that can touch a chord with many audiences?

Y Aren't you relying on these talents too much, neglecting effort to report the facts correctly?

N Talent to communicate with and appeal to people is indispensable for the management.

04 Do you have leadership to explain things to the other persons concerned, make them understand, and make them obey to your orders adjusting yourself to the level of them?

Y Aren't you playing an autocrat? Leadership is different from being masterful.

N Leadership is a power to make all people concerned business follow, not only your staff.

05 With regard to your staff's mistakes and failures, do you scold them, and at the same time give them a chance and encourage them to do better next time?

Y Whenever your staff has done better, can you evaluate them fairly, forgetting their past mistakes?

N It is a base for leadership to scold staff properly for their mistakes as well as to encourage them for their better result.

06 Do you assure the capabilities of the persons concerned and boost their morales by giving compliments occasionally?

Y Don't your compliments sound like a lip service? Do they require enough confidence?

N There is a saying, "The other person will really be motivated, after you show him how

to do, let him try to do and praise him what he has done."

07 When opinions differ, do you work at trying to understand the differing opinions through frank dialogues?

Y Isn't the dialogue pressing one-sided opinion on the other?

N Understand mutually at first; and suggest a settlement acceptable to the party with the different opinions.

08 Do you give importance to teamwork?

Y Do you deal with the persons concerned in a symbiotic manner, cooperate and act in a creative way?

N In today's business management, a way of thinking for settlement based on teamwork is indispensable.

09 Do you have a strong will to foresee the future, act creatively and challenge reforms?

Y How far is your will reflected in your present management? Please show the concrete examples.

N Foreseeing the future and using creativeness freely are essential for the management reform.

03 Appeal as a global community member

01 Are you very much interested in international affairs? Do you have sources for getting foreign information? Do you often go abroad?

Y Can you collect important information concerning your business?

N Today you cannot engage in business management without knowledge on movement of international market.

02 Are you active in global business development in the sense you have already engaged in or are willing to engage in foreign business?

Y Do you conduct your international development as a part of your global business strategy, not as a nice looking overseas performance?

N Let them examine whether an international development as strategy is necessary under the present management environment of the enterprise.

03 Are you enthusiastic about introduction of the international standards? Do you have understanding of the ISO, international Accounting Standards and the like? Can you direct their introductions?

Y Do you understand them as measures to reform the constitution of the enterprise? Don't you introduce them with the superficial understanding?

N To advance toward introduction of the international standards is necessary, even if it will take time and cost.

02 Management structure

01 Decision authority

01 As to the matter in question regarding the basis for management of the enterprise, do you go through consideration from the bottom-up and decide through the top-down?

Y Not as a form and a rule of the procedure, are the bottom-up and the like executed?

N Being too much biased in favor of the bottom-up or the top-down is not preferable.

02 Is there any management member besides the president who has the power to decide and makes a different decision?

Y The final decision shall be made by a single person. Let them make clear who has the authority.

N Confirm who has an authority to decide, surveying shares of stock holding, ages, family-relations and the like of the management.

03 Besides the president, do you have a practical manager who conducts management decisions from the view of the whole enterprise?

Y Judge the need of an essential manager, from the career and specialty of the president.

N If the president is an expert who lead technology, marketing and the like himself, it sometimes be necessary to have a manager who watches the whole enterprise.

02 Board members structure

01 Are the director positions occupied by members of the same family?

Y Explain to them how big is the demerit of the executive positions being occupied only by the same family.

N Survey backgrounds and authorities of the executives besides the family and recommend reflecting internal and outer opinions to the management of the enterprise.

02 Does an employee who is not from the same family with the top and holds a post of director have power and authority as a director?

Y Confirm the actual situation from his/her speaking in the board of directors, his/her participation to the decision and the like.

N An executive without power and authority is not desirable for both the enterprise and the executive himself.

03 Are there external directors who actively propose and take part in management?

Y Are their proposals and participations really useful as the opinions of the third party?

N External directors who talk as the third party are needed to give objective views of the enterprise.

04 In appointment of directors, has a guideline being fixed and are persons with management ability being called upon?

Y Check the guideline and recent situations of the appointment.

N The appointment through self-will of the president will cause to lose internal motivation and outer reliance for the enterprise.

05 Is the board of directors conducted legally in terms of its procedure, agenda management, taking down of minutes and the like?

Y Besides the formality, is there any useful discussion for the enterprise in the board?

N If the board is not conducted legally, it may cause a dispute in future.

06 Has an age limit for directors been established? Can young people be appointed as 6 directors?

Y Has the age limit been conducted fairly and justly? Is the setting of the age adequate?

N New management development often depends on enthusiasm and activities of young people.

07 Are you adopting stimulation policies such as the stock option and the like for newly 7 appointed directors?

Y Check whether the stimulation policies adopted are effective or not for both the enterprise and the executives.

N When the appointment only gives a title, the volition and sense of responsibility of a newly appointed executive does not last long. A stimulation measure is needed.

03 Successor policy

01 Successor policy

01 When there is a candidate for successor, do you try to obtain understanding on him from 1 inside and outside of the enterprise?

Y How is the outer and internal evaluation on the candidate? Survey the real intentions.

N It is necessary to decide a successor and to direct the circumstances in such a way that internal and outer understandings about him can be obtained.

02 When there is a member of the same family suitable to be a successor, are you 2 considering his acceptance?

Y Do you understand the merit and the demerit to have a successor of the same family?

N Ditto. If there is not a successor, it may happen to become a reason to terminate the business.

03 Are you planning a time schedule and an internal stance of the enterprise in accepting the 3 successor?

Y Let them plan for the smooth acceptance, even if it will take time.

N Hasty acceptance of a successor may sow the seeds of future strife.

04 Have you decided on treatment and promotion of the successor?

Y Are the treatment and the schedule of promotion of the successor reasonable when you have evaluated his ability diversely and objectively?

N The treatment and the promotion should be decided and disclosed to the persons concerned at early stage.

05 Do you consider accepting appointment of the executive employees or those from 4 business-related companies?

Y What measures do you have to find suitable persons and to get information for the candidates?

N A member of the same family is not an only candidate for successor. You should look for

a suitable person in a broader area for future of the enterprise.

02 Management ethics

01 Customer satisfaction

01 Customer satisfaction

01 Is the idea of keeping Customer Satisfaction as the basis for business management infiltrated all throughout the enterprise?

Y Is the idea really infiltrated from the top management to the bottom?

N Do you understand the necessity to integrate Customer Satisfaction into the philosophy of the enterprise?

02 Do you classify your target customers and try to search for needs of each customer group?

Y Are keywords to help the classification and the survey of the potential needs appropriate?

N Consumers and their preferences are diversified. Their needs shall be classified and grasped.

03 Do you have a skill to research the needs and expectations of your customers and gather information systematically?

Y Check the organization, staff and budget for research, and the results of collecting information.

N An enterprise should have an active stance to collect information on its customers.

04 Have you established a system to get reliance of your customers by quickly corresponding to the customer's complaints and opinions?

Y How are the organizations, staff, and flows of information for the correspondence?

N Quick correspondence to the opinions and complaints leads to the trust and preference by the customers to the enterprise and products.

05 Do you grasp and analyze the customer satisfaction levels of your competitors and recognize your own problems?

Y Please explain advantages of your competitors and your problems on customer satisfaction concretely with the examples?

N You can grasp the customer satisfaction levels of your competitors by asking to the dealers and the customers.

06 Do your employees also try to promote the customer satisfaction on your products by putting themselves in the standpoint of customers and users?

Y Confirm by the actual cases of market-in and hearing from the employees.

N Let them prepare opportunities for your employees to get ideas of market-in and realize them.

02 Corporate governance

01 Corporate governance

01 Are all organizations in the enterprise full of spirit that keeps away from anti-social business activities and legal violations?

Y Is the spirit displayed in the philosophy of the enterprise?

N Profit of an enterprise comes from the activities as a member of the legal society. The legal violations and the like may put the enterprise in danger.

02 With regard to your products and services, do you not only make sure of their present safety but of their future safety as well?

Y Don't you depend on the formal confirmation procedures for safety too much? Do you follow the rules for the confirmation strictly?

N Affairs on safety sometimes cause danger of life or death for an enterprise.

03 Regarding unjust accusations within the enterprise and unjust demands from outside, do you try to work at a dauntless confrontational stand?

Y Do the management themselves clearly announce such policy and show the strong stand?

N You cannot control the enterprise if you, the top management, show a weak attitude against such accusations or demands.

04 Do you try to maintain a safe and pleasant workplace by emphasizing Employee Satisfaction?

Y Is there any difference between the management's awareness on the employee's satisfaction and the employee's level of satisfaction?

N Employee Satisfaction finally leads an enterprise to the profit.

05 Do you refuse any contact with groups or organizations that conduct illegal activities?

Y Confirm measures to cope with such contact as one way of your risk management.

N Relations with those groups may endanger the enterprise.

06 Do you disclose the correct management information to all the stakeholders of the enterprise?

Y Check the measures for the disclosure and the satisfaction level of the stakeholders.

N Without proper disclosure, you cannot gain reliance on the enterprise.

07 Do you prompt for consciousness reform in such a way that a management crisis will be taken as a business opportunity?

Y Check if the management themselves have consciousness of the crisis and a policy to cope with it, and also check the sense of crisis among the employees.

N Consciousness of the crisis at the management and establishment of the countermeasures against the crisis are indispensable to overcome the management crisis.

03 Global environment preservation

01 Global environment preservation

01 Are you devising a policy for environmental preservation in all the organizations of the enterprise?

Y Do you acknowledge that the settlement of the environmental problems is a condition for existence of the human race in the world?

N A philosophy of environment preservation and its practice are indispensable for the management today.

02 Has there already been a consensus that will work towards the preservation of the global environment through energy saving and natural resources saving?

Y Is the consensus included in the management policy and management plan concretely?

N The global environment preservation also leads to decreasing the costs.

03 Isn't there any of the seven environmental pollutions, namely: air pollution, water pollution, noise, vibration, foul smell, ground subsidence, and soil pollution in your business activities?

Y Survey barriers to cope with the pollution and propose measures for the settlement.

N Is there any seed to be a problem in future, even if it is not pollution now?

04 In terms of waste disposal, do you apply the activities concerning three R's namely, reducing, reusing and recycling?

Y Don't you merely transfer the disposal to the outside sub-contractor? How do you perform the three R's?

N Let them grasp the kinds, volumes and costs for the disposal of the industrial wastes, and perform the total countermeasures including the above three R's.

05 Are you devising a measure for waste flow?

Y Check the measure and let them study for a better settlement.

N A proper treatment of the waste flow leads to decreasing the cost.

06 Have you acquired or have you been trying to acquire the certification for ISO14000?

Y Don't you understand the certification only as a formal procedure? Are you improving the measures continuously?

N Do you understand ISO14000 as a summary of measures to preserve environments and to reform the consciousness in the enterprise?

07 Do you make known to all the environmental destructions, something unusual in ecosystem and the like brought about by global warming, acid rain, destruction of ozone layer, environmental hormone, etc?

Y How does the each item concern with your business and consciousness of your employees?

N Do you understand that your business cannot be independent of environmental destructions and the like, whatever forms they may be?

08 Is there an expert in the enterprise specialized in the laws and ordinances regarding legal regulations on the environment, harmful substances and the disaster preventions?

Y Check the department, the staff and their official qualifications or the outer organization in charge of them.

N When it is difficult to have an internal staff, recommend utilizing outer experts.

04 Social consciousness

01 Social consciousness

01 Do you regard your enterprise as a public institution and consider that your profit is a reward for displaying your sociality?

Y Measure the level of their consciousness by asking them what occasion they have obtained that kind of idea.

N You cannot manage your business from now on when you have an idea that your enterprise is your private effects.

02 Do you observe the conditions of business activities as mandated by the laws?

Y Check the status of the business permits, legal arrangement of equipment, appointment of qualified persons, etc.

N Which items are not observed? What is the reason? When will you amend them?

03 Do you give importance to the laws on Product Liability, Fair Trade and the like? Have you established a system that devises preventive measures before a claim occurs?

Y What kind of a system have you established? Is the system working practically?

N Make them understand the necessity of preventive measures before a claim occurs and propose the countermeasure.

04 Do you give human and financial supports for the promotion of science, sports, culture and the like?

Y Isn't the support too much compared with the capacity of your business?

N These supports are a refund of profit given from the society and a co-existence with the society.

05 As a good corporate citizen, do you continuously conduct activities that contribute to the local community?

Y What kinds of activities do you conduct? Is the acknowledgement of the community members to the enterprise intensified?

N Propose to strengthen relations between the enterprise and the local community through participations in local events, opening premises of the enterprise for the local people and the like.

06 Are you trying to employ workers from the vicinity of the enterprise as many as possible in order to contribute to the local community?

Y Check the distribution of the employees' addresses. How are your competitors treating this matter?

N When employees do not come from the neighborhood, check the reason and if it makes any demerit for the enterprise.

07 Do you have a sense of accepting employment of senior citizens and handicapped persons?

Y What measures do you take for the acceptance? How they are appreciated by the authorities and the local community?

N An enterprise should seriously consider employing senior citizens and handicapped persons under a long-term view.

03 Management strategy

01 Management vision

01 Management vision

01 Are the goal, the mission and the like put in the statutory form and understood?

Y Are they written in the forms of the management policy, the motto and principle of the enterprise in an easily understandable manner, and well known to all the employees?

N Do you understand the necessity of management vision for an enterprise and making it widely known?

02 Is the domain of the enterprise narrowed down? Is the basement of the enterprise for existence defined?

Y How well do you aware of your domain? How far are you going to extend your business in and outside of the domain?

N Making your domain definite will result in more concrete building of your strategy, so it is very important for the future extension of your business.

03 Do you grasp the strength of the enterprise and foresee how long you can retain the advantage?

Y How well do you recognize the strength? Are you examining its endurance?

N Security and reinforcement of the strength are the basic strategy for an enterprise.

0 4 Do you make your short and long-term visions and modify them according to the changes of the management environment?

Y How much are the visions reflected in the business management?

N An enterprise shall have clear visions and modify them elastically according to the changes.

05 Are your management visions feasible, and reliable and safe for the stakeholders?

Y Check feasibility of the visions, hearing the opinions of the stakeholders on them.

N Explain to them difference between a vision and a dream.

02 Management environment analysis

01 Macro analysis

01 Do you extract factors concerned with the enterprise among the management environment factors and utilize them for building your strategy?

Y Let them show the factors concerned with the enterprise and check relations with their strategy.

N Make them understand management environmental factors and show them examples how to adapt them to their strategy.

02 Is the method of comparing the official data and the private data concerning the management environment appropriate?

Y Don't you interpret and compare the official data for your own convenience?

N Show them examples how to compare the official data with the private data.

0 3 Do you get the latest innovative technological and service information concerning your business and utilize them for your strategy building?

Y Please explain from where you get technological information etc and how to utilize them for your strategy.

N Can you get technological information etc from literature, government institutions, universities and the like?

0 4 Do you analyze the structure concerning employment, demand, distribution, finance and the like, and grasp the status quo of the structural reforms?

Y How do you analyze the structures of them?

N Show them keywords of each structural analysis and make them understand how to watch and find signs of the reforms.

05 Do you see importance of the impact of Information Technology to business management seriously?

Y How do you utilize IT for building up your management strategy?

N IT will give more and more influence to business management though the size or the timing of its influence is different in each business.

0 6 Do you judge objectively the influence that the activities under personal sensibility have upon your enterprise, and devise to utilize it?

Y Please show actual cases of the influence and the utilization.

N Explain to them how the activities under the sensibility influence to the preference and the demand of the products.

0 7 Do you recognize that today is the age when the economic sphere is internationalized and we have to consider our management environment globally?

Y How do you incorporate your global recognition in your management strategy?

N Explain to them the global economy today and make them study a way for the enterprise to cope with the economy.

0 8 Do you take in advance the progress of the deregulations and try to strengthen your advantage over your competitors?

Y Please explain the direction of the future deregulations and the opportunity for business born by them.

N Do you understand that you may lose your advantage depending on the direction of the deregulation?

0 9 Do you have a system to check the information on changes of the management environment and to identify the right information?

Y Survey the flow of the information and confirm whether the staff in charge of and rules for sorting out the information are adequate or not.

N Propose to build a system for check and identification of the information.

10 Do you judge by multiple factors to grasp the reforms of the management environment?

- Y Please show concrete examples of the multiple reform factors and the changes by them.
- N Management reform factors are related mutually. List up all possible factors, analyze and judge them systematically.

1 Do you think ahead of the direction, speed, strength and impact of the management environment reforms in future?

- Y Inspect a relation between the foresight and the business strategy.
- N Show them an example of management reform with large impact in the business and mention a way of the projecting.

1 Have you established a department to cope with changes of the management environment and study management innovations to be taken?

- Y Check the job of the department in charge and adequacy of the staff.
- N The daily business and the job to cope with environment changes should be separated.

02 Positioning analysis of the enterprise

01 Is the industry of your domain stable? Does it belong to an area with good future?

- Y Does the area have bright future in the global trend?
- N Examine what kind of measures shall be taken, projecting the reforms in future.

0 Have you established a system to grasp and compare the specific characters of foreign and domestic competing products, and revise your products?

- Y Show unique characteristics of your products. Don't you too much trust the advantages of your products?
- N First make them grasp the specific characters of their own and other products, then compare them objectively.

0 Does your enterprise have advantages in size, value added, profitability, and growth, compared with the standards of the industry?

- Y Don't you put too much emphasis on the advantages in the short-term index? Will the advantages last long?
- N Let them survey items that the enterprise is inferior and study if any measure shall be taken in your management policy.

0 Are your criteria of evaluation on the design, performance, quality, price and the like of your products adequate?

- Y Are the criteria accepted in your industry and in the global market?
- N Can't you establish reasonable criteria from the view of the third party?

0 Do you always observe the movements of your potentially competing enterprises that can be your future competitors?

- Y Do you observe not only the same industry but also the other industries?
- N Make them understand to consider a possibility to compete in future, not only present competition.

06 Do you anticipate the period that you can keep your advantages by your strength be short?

- Y Are you taking measures to maintain your advantages? What kind of measures have you taken?
- N How long have you anticipated you can maintain your advantages? Can't you see any sign of your losing the advantages in the near future?

07 Isn't there any danger that an existing and competing enterprise becomes stronger or the competition will become harder by participation of a new enterprise?

- Y Let them study conditions to get more advantage in competition. Are you taking any measure?
- N Let them survey the foreign and domestic industries to check the possibility.

08 Do you get information on management improvement and innovation of your competing enterprises, and do you study and execute the countermeasures?

- Y Do you understand not only the appearance of the improvement and innovation, but also the philosophy behind?
- N Let them get the information and cope with it, so as not to be inferior, even if it takes time.

09 Isn't the market of your main products declining and don't you need to enter into a new domain?

- Y Are the direction and speed that you are taking adequate?

N Isn't there any sign of the decline in the market? Is the basis for existence of the enterprise stable?

03 Reinforcement of competitiveness

01 Reinforcement of competitiveness

01 Do you grasp the situations of your suppliers and customers, and try to improve the performance, and quality, decreasing the cost of your products?

Y Do you always compare the performance, quality and cost of your old and new products?

N Isn't there any possibility of innovation for a new substitutive material? Doesn't it come from the lack of information in your enterprise?

02 Do you quickly respond to demand, realize quick delivery, and try to get advantage in competition?

Y Check if the system for the quick response is proper.

N Do you study the impact when your competitor has realized a quick delivery?

03 Do you have advantages over your competitors by realizing lower cost and higher additional value?

Y Is the cost saving consciousness penetrated into all departments of the enterprise? How do you tackle with the cost saving?

N Do you try to compare your costs with those of your competitors, and analyze the reason of the differences?

04 Have you introduced the statistical quality control and the total quality management in order to maintain your advantages in competition?

Y Is the quality control really effective for the target to maintain advantages in competition?

N Aren't you inferior in competition because of your imperfect quality control?

05 Have you accumulated small group activities in the field level and merged them into a competitive power?

Y Aren't small group activities a burden to the field workers? Do they really bring fruitful effects?

N Introduction of Quality Control circle, Zero Defect movement and the like are effective for vitalization, higher efficiency and better quality in the working place.

06 Have you introduced new production systems to boost the morale in the working shop?

Y Is the new production system working effectively both in increasing the efficiency and in boosting the morale?

N Isn't the working morale in the shop low? Is there any complaint among the workers on necessity of the work improvement etc?

07 Have you tried to improve the bad working environment and increased the working efficiency?

Y Is the condition of the working environment better than that of the standard in the industry?

N Doesn't the bad working environment cause a decline in the working efficiency and workers' morale?

08 Do you promote reduction of the production costs by changing from outsourcing to in-house production or from in-house production to outsourcing?

Y Do you examine not only decreasing the cost but also changes of production process together with the quality, delivery time and the like?

N Let them understand the necessity of decreasing the cost, comparing the advantages and disadvantages of outsourcing and in-house production.

09 Do you devise to strengthen your competitive powers by building up the marketing channels in the foreign markets, not limiting them to the domestic market?

Y Is your total profit increasing by sales to the overseas markets?

N Let them study possibility of overseas sales and profit expected by the sales of their main products.

10 Do you utilize the information network in order to save the management costs?

Y Let them make a trial calculation on the result of the cost saving through utilization of the information network.

N Explain to them on the possibility of saving the management costs in the forms of personnel, material and time.

11 Do you have an idea to choose a direction for collaboration, tie-up and the like, in order to strengthen your competitiveness?

Y Are you studying the merits and demerits of corporate alliances?

N Make them understand that the corporate alliance is a solution of problems, which cannot be settled by a single enterprise.

12 Can you strengthen your competitiveness through consistent production and/or marketing, extending your business to either downstream or upstream?

Y What kind of specific measures are you taking? Do you have your management resources enough for the measures?

N If you are not interested in the consistent production and/or marketing, what alternative measures do you have?

04 Development of new market

01 Sign of market shrinkage

01 Isn't the market for your products decreasing due to the development of products and goods by other enterprises?

Y What are the special characters of the products and goods? Do you study any measures to cope with them?

N Can't you predict new products and goods, which influence to the market with resource saving, energy saving, lower cost, better quality and the like?

02 Do you always check if there is any possibility of reduction in getting orders from your customers due to the change of their process switching to the in-house production?

Y Do you check the movement both in the industry and of the customers?

N You can't rely too much on your advantages such as your deal for a long time, your price and the like.

03 Do you observe if there is a possibility that your receiving orders may decrease due to the overseas production by your customers?

Y Have you studied what measures you can take when your customers realize the overseas production?

N The impact of the customer's overseas production will be big, if you depend too much on the customer's orders.

04 Isn't the market for your products shrinking due to the inflow of foreign products at lower cost?

Y Do you examine your countermeasures such as overseas production, shifting to higher-class products and the like?

N Isn't the inflow of overseas products increasing in view of the long term trend?

05 Isn't a new production system developed? Will it be a substitute to the present system?

Y Explain the important points of the new system. Do you study your countermeasures to the system?

N Let them understand that a new system featured resource saving, energy saving, labor saving and the like, is most likely to substitute to the existing system.

06 Isn't the market of your existing products decreasing due to the development of new products?

Y Is the decrease structural? Can't you develop a new product to expand your market share?

N Survey what the special characters of the new product, such as lower cost, higher additional value, pollution free, quick delivery and the like. Project the future growth.

07 Do you carefully observe if the market of your existing products is not decreasing due to changes of the intentions of customers and users?

Y Do you catch the trend of changes in consumer's intentions and the like for yourself, not depending only on outer information?

N Changes of users' intentions and the like may cause a quick decline of the market of your products. Grasp of your customer's need and taking the countermeasures are always necessary.

08 Is there any decreasing trend in the market of your existing products, by being affected by the new business type?

Y Can't you enter into the new business type or develop any substitutive measure?

N Assess a possibility of emergence of new business types, such as the fables (without factory) or mail order.

09 Are you watching the trend of your existing products abroad, if it is gradually decreasing,

and are you careful if it will influence to the domestic market?

Y When you see the decreasing trend, do you study what measures you can take?

N Sign of decline in the domestic market can often be predicted by a trend in the foreign markets in advance.

02 Selection of diversification

01 In order to cope with the decline of the existing products, do you plan and/or execute diversification of your products and business fields?

Y How distinct is the declining trend? Are the progress and direction of your diversification adequate?

N How do you catch the trend of the market? Don't you miss the declining trend?

02 Is your diversification being developed in a totally different and new domain from the existing one?

Y In order to be successful in the extension to a new field, can you introduce outer management resources that are not enough in your enterprise, and do you think you can cope with risks of failure in the diversification?

N Your competitors will also think of diversification on the same direction of their existing business fields. Can you keep your advantages against them?

03 In your selection of the field for your diversification, do you regard technology as important, or market?

Y Is your advantages in your own technology enough, when you regard technology as important. In case you regard market as important, by what means you can show your advantages, besides your expectation to the size of the market?

N When you enter into a new business field, you must have some advantages in your management resources.

04 Is your diversification heading for the vertical direction that can be expected to have a synergy effect?

Y Is there any risk that you may compete with the manufacturers or distributors which you have been in supplementary relations up to now?

N Are your management resources prepared enough against high risk of diversification to the horizontal direction?

05 Does the field that you have chosen to diversify certainly have an existing market and possibility of high growth?

Y Hasn't the market matured? Isn't there a strong competitor in the market?

N When the market is not large enough, you cannot merchandise your products, however high technology you have put into them.

06 In your diversification, are you anticipating a growth limit in the case when you target a niche market?

Y Have you checked if it is adequate to invest your management resources in a limited market?

N Examine the size and possibility of growth of the niche target market.

07 In order to get the result of diversification in a short period of time, are you attempting development of a field on the extension of what your company's strength lies?

Y Please explain special features of your company's strength and maintenance of the strength in your development for diversification.

N In order to get the result of diversification in a short period of time, utilization of your company's strength is indispensable.

08 To promote your diversification, have you examined and tried various methods?

Y Please explain the merit and demerit of the methods that you have tried and employed.

N Demonstrate them various methods such as an inner organization in the enterprise, internal venture, deconglomeration, outsourcing and the like, then let them study means possible to utilize.

09 In your diversification, have you provided an upper limit in investing management resources and a time limit for development?

Y Are the upper limit of management resources and the time limit reasonable, considering the strength of the enterprise?

N Investment of resources without limit and development without time limit may happen to be fatal for the enterprise.

10 Is the communication between the main business departments and the diversification department kept close in such a way that opposition in opinions does not occur in the

enterprise?

- Y Confirm the way of communication and specially hear opinions of the existing main business departments.
- N Opposition in opinions of this kind in the enterprise makes negative influence for both the main departments and the diversification department.

11 In the case where the result of diversification is not achieved as planned, do you have a consensus to dare to withdraw from it?

- Y Do you have any guideline or schedule to assess the result?
- N You may get bogged down if you lose a chance to withdraw.

12 In the case where the diversification is successful, do you appreciate the roles of the main business departments and the diversification department fairly?

- Y How different are the concrete methods of evaluation for the two kinds of department and how are they managed actually?
- N The main departments that support development investment and the diversification department that achieves a result are both necessary to be successful in diversification.

03 Development of new field

01 Are you attempting to develop a new business field while the enterprise is in healthy business conditions, coping with gradual reduction of the market of your existing goods?

- Y Is the schedule for development of a new field and its speed adequate?
- N Development of a new field should be made while your business situations are sound. It is too late after the market of your existing product is reducing.

02 In development of a new field, do you make use of the strength of your enterprise and promote focusing on one particular field?

- Y What is one particular field? Is your focusing adequate?
- N With regard to development of a new field, focusing the field is especially necessary, together with special use of the strength.

03 Is the field you are trying to develop related to your existing products?

- Y Check utilization of the strength in the existing products and the competition.
- N Explain to them on high risk in a new field which they have no experience, and let them study the risk hedge.

04 Coping with the gradual decline of the existing market, does a progressive enthusiasm to strive for survival being infiltrated within the enterprise?

- Y How is the enthusiasm in the enterprise being expressed?
- N Let them make opportunities to boost the risk consciousness against the reduction of the market, by explaining the environment and the present conditions to all the employees and asking their understandings.

05 Do you examine in detail the advantages of the new field to be developed and are the advantages supported by a plan with high accuracy?

- Y Check the result of the examination, the content of the plan and the level of the accuracy. Then let them study to hedge the risk, if possible.
- N As it is a new development, examination in detail and sound planning are needed.

06 Have you examined the management resources needed for development of a new field and established a scale and a speed to measure the progress?

- Y Have you confirmed the volume and quality of the management resources needed? Do they correspond with the plan for development?
- N Without keeping or supply of the management resources required, you cannot develop a new field.

07 Have you established an upper and a lower limit of expected sales and additional values on the basis of the market scale and growth capability in the new business fields?

- Y Isn't the upper limit expected too high especially and isn't the lower limit too low?
- N Let them understand the necessity of an upper limit to prevent from too much expectation and a lower limit as guideline to measure the result.

08 Have you introduced a Concurrent Engineering (CE) system so as to develop a new field promptly?

- Y Are the methods of discussion and decision-making adequate and the cooperation between each division enough?
- N Explain and make them understand the necessity of CE, which shortens the period of the

development and makes them cope with the changes of the market elastically.

05 Business model

01 Business model

01 Do you endeavor to develop a new business model utilizing IT independently or cooperating with other enterprise?

Y What kind of business model is it? Is it innovative enough?

N Do you have any core-competence, strength and the like to be utilized for development of a new business model?

02 With regard to development of a business model, do you build up the system with consciousness of registration for the industrial property and refraining from invasion of the right of other enterprises?

Y By what means and who does check the relations of the system with the industrial property?

N Let them understand the necessity for building up a business model in relation to the industrial property.

03 Is the new business model made with recognition of the difference of characters between BtoB or BtoC transactions?

Y How do you recognize the difference of characters between BtoB and BtoC?

N In building up a business model, segmentation of the customers and analysis of the needs are indispensable. Especially in transactions among the enterprises, (BtoB), entering of various enterprises is possible and it makes the necessity for building up an innovative model.

04 Management organization

01 Organization structure

01 Organization structure

01 Is your company organization suitable to perform the management philosophy, the objectives, the strategy, and the plan?

Y Check the organization chart for the function of each division and the overall construction.

N Explain a requirement of an organization with functions which are able to perform the management strategy.

02 Is your management organization compact and slim, matching the actual conditions of your business activities and the size of the company?

Y Confirm the organization chart if the structure is adequate to the company.

N Explain that the organization should be kept to a minimum, and an unreasonably large organization causes to reduce its efficiency.

03 Is your organization simple and flat by reducing the middle management?

Y Check the organization chart if it is simple and flat.

N Explain advantages of a simple and flat organization.

04 Is the duty assignment of each section defined in writing and indicated in the organization chart as a regulation of organization?

Y Check the organization chart and the job descriptions.

N Explain that some jobs may be overlapped and it reduces the operation efficiency, if they are not defined.

05 Can the organization flexibly be altered, coping with changes in the operation system, workload and so on?

Y Check the recent changes to confirm if the company has a flexible mechanism.

N Explain drawbacks of a rigid organization, which cause lack of communication and sectionalism.

06 Is the procedure for the organization change defined, and can it be reviewed regularly?

Y Check the regulation procedure and the past actual changes.

N Explain a requirement of a rule on organization changes in order to have control of the organization.

07 Is the whole company notified right away when the organization and the organization rule have been modified?

Y Confirm whether the method of announcement is appropriate or not.

N Explain a delay in announcement may cause an improper organizational function.

08 Do you approve cooperation between the divisions to support the workforce flexibly to cope with a temporary imbalance of the workload among the divisions?

Y Check the level of standardization of work so that any staff can be easily supplemented or replaced.

N Explain an importance of the flexible workload adjustment for improvement of the total efficiency.

09 Do the function of the internal organization and that of the outsourcing compensate each other properly?

Y Check if the contents of the outsourcing compensate the internal function properly.

N Explain that a lack of technology or production capacity can be supplemented by the outsourcing.

10 When you form a new organization, do you organize a project team, a workshop and the like as a trial prior to the formal organization?

Y Confirm the actual cases of the project team and the workshop in the past and their results.

N Explain difficulties of modifying an organization if it once formed without a trial.

11 Do you organize a task force which directly reports to you to deal with important management issues?

Y Are the important issues solved by the task force properly?

N Explain a task force directly controlled by the top management can solve an important issue effectively.

12 For the complex work concerned many divisions, do you form a matrix organization operated by cooperation and coordination of the related divisions?

Y Please show some examples of the operation.

N Show some cases of the matrix organization, and explain its effectiveness.

13 Do you see a synergy effect between the creative function of staff division and the regular working function of line division?

Y Ask some examples, and check the effects.

N Explain the synergy effect results in a multiple effect not in a simple addition of each effect, and the capability of staff division can be maximized by the synergy effect.

14 Do you have a protective function in the organization from the disturbance of inadequate informal groups such as factions and private groups?

Y Please explain the protective system you are applying.

N An informal group may have a problem sometimes and a preparation to protect a trouble is needed.

15 Does the internal control system work among the divisions? Is the organization made in such away that dishonesty and unfairness does not occur?

Y Please explain the mechanism of the control system.

N Check whether dishonesty and unfairness occur in the organization. If there is, propose an appropriate control system.

02 Authorization

01 Authorization

01 Is the management organized properly according to the size of the company and the type of business? Is the working process being conducted promptly and smoothly?

Y Check the major divisions to see if there are any delays or stagnations of the work.

N Explain an adequate management system is required for an effective work.

02 Is each authorization of the management clearly defined and observed together with the duty and responsibility?

Y Is the authorization in each division properly executed together with the duty?

N An organization cannot function properly if there is any unevenness due to excess or lack of the authorization.

03 Are the authorization processes of propose, examination, decision and enforcement promptly proceeded in each level of the positions without delay?

- Y Are the authorization executed by dividing into the proposal, examination, decision and enforcement?
- N Check whether a delay of the enforcement exists or not due to a concentration of the authorization.

04 Are the duties divided into line, staff and specialized duty? Are the general authority and individual authority of each duty defined?

- Y Please show some examples to understand that each authorization is properly set.
- N Fixing an organization based on the duty and the authority is necessary for efficient operation.

05 Are you trying to activate the organization by utilizing individual worker's empowerment (increase of capacity for spontaneous and creative decision-making)?

- Y Confirm whether the method of empowerment is appropriate or not.
- N Explain the worker's empowerment is effective for activation of an organization.

06 Are you trying to perform a prompt and flexible agile management by delegating the authority with a simple and flat organization?

- Y Check if the organization chart and each span of the authority are appropriate.
- N Explain the necessity of an agile management to adopt with the rapidly changing business environment today.

07 In the case where there is a deviation from the duty authorized by the management, is there any checking function by report, audit and the like?

- Y Check if there is that kind of function and it is properly working.
- N Explain a requirement of the internal checking system because the deviation for a long time may lead to a destruction of the organization.

03 Conference, committee

01 Conference, committee

01 Prior to a meeting with many divisions, do you appoint a division of which has an authority to coordinate with related divisions?

- Y Check the meeting rules and the past meeting minutes.
- N Have you ever experienced that arguments or different opinions are raised in the meeting, and they caused problems?

02 Are your meetings and committees divided into regularly and continuously established organizations and temporarily and term-limitedly established ones?

- Y Please list up the respective organizations.
- N Explain the necessity of separate organization for smooth operation of meetings.

03 Do you try to motivate the meeting attendants or the committee members by covering all the related divisions and providing formal written assignment to the attendants and the members?

- Y Check the actual meetings, committees and those members.
- N Explain how to motivate and provide responsibility to the members and the attendants.

04 Does your company have a budget for the meeting expenses, and do you regulate number of meetings in a certain period, set a due date for the conclusion and make meeting minutes for securing the report?

- Y Check the regulations for administration of meetings and the meeting minutes.
- N Explain the importance of having regular meetings, recording the meeting contents, sharing information of the decisions and budgeting.

05 In case of a limited knowledge inside the company to deal with problems, do you seek outside specialists to consult for advices and utilize their knowledge?

- Y What kind of specialists do you look for, and is their participation effective?
- N Explain an advantage of utilizing outside specialists to supplement the limited in-house knowledge.

05 Management resources

01 Resources, raw materials

01 Resources, raw materials

01 Do you pay attention to the global demand and supply of the raw material, and apply

multiple supply channels for safety and stable material purchase?

- Y Check whether the company is always seeking a better supply channel for the major raw materials or not.
- N Find out which part of the supply channel has a problem, and why. Also explain that depending on a single channel is dangerous considering when the channel has any problem.

02 Do you collect new technological information on development of new resources, new materials and the like in order to utilize low cost and high quality materials?

- Y Give advice of collecting information from wider sources including the public institutions.
- N Let them understand that a new material can create a revolutionary product, which causes a complete change to the product strategy.

03 Are you aggressively challenging to apply the energy and resource saving technologies for cost reduction and protection against the exhaustion of natural resources?

- Y Do you grasp the results of your energy and resources saving by specific figures?
- N Explain that the energy and resource saving will lead to cost reduction.

04 Do you quickly stop using the harmful substances, and replace them with new non-harmful ones?

- Y What are the harmful substances and those substitutions you have replaced?
- N Using harmful substances is prohibited by the law, and deteriorates the health and the environment.

05 Do you make an effort to provide raw materials to meet the market demand, and avoid the occurrence of loss of opportunity by shortage of the materials?

- Y How do you control the accurate production forecast and the appropriate supply of the materials?
- N Explain the necessity of controlling raw material supply fitted to the change of demand, because surplus or shortage of the material stock gives a negative effect such as burden of interest or opportunity loss.

02 Machinery and equipment

01 Machinery and equipment

01 When you invest in new equipment, do you consider the demand and the plan carefully to avoid any excessive capacity?

- Y Check if there is not an excessive capacity and the operation rate is higher than the level of break even.
- N If there is a recent investment, check its contents, and explain the necessity of adequate investment.

02 With regard to the investment in equipment deemed to be necessary in order to establish a dominant position in competition, have you aggressively performed?

- Y Check if the investment is appropriate considering the initial management decision.
- N If there is a recent investment, check its contents, and explain the necessity of aggressive investment, if needed.

03 Do you introduce machinery and shop equipment to meet with the scale of company, the working condition and the technical skill of workers, and to harmonize with the workers?

- Y Observe the factory and check by hearing opinions of the workers.
- N Explain the machinery fitted to the level of company provides better financial and operative efficiency.

04 Do you quickly scrap or discard excessive, idle and obsolete equipment?

- Y Check if there is any difference between the actual machinery and the report.
- N Let them understand that old and excessive machinery are burden and do not generate any profit.

05 Do you consider rental or lease of the machinery in consideration of machine operating hours, maintenance fee, and the interest rate, instead of investing in machinery?

- Y Check why they select own investment or lease/rental.
- N Explain the lease or rental has advantage over the own investment, depending on condition of the machine operation efficiency or amount of the maintenance fee.

06 Have you ever considered to use subcontractors instead of your own investment in the

equipment and to become a fables (without factory) company?

Y Please explain your consideration in the past.

N Compare and check whether the cost of in-house production is higher than subcontracting or not.

03 Funds

01 Funds

01 To cope with the globalization and the liberalization of finance, do you consider various means of providing for the funds and rationalization of fund supply cost?

Y Check the means to provide for the funds and their reasons.

N Propose various rationalization plans including utilization of the government funds.

02 Do you have a plan to increase your owner's fund by collecting the funds from your relatives, acquaintances, venders and employees as angels (personal investors)?

Y Check whether the plan is appropriate or not.

N Explain the increase in owner's fund makes a more stable financial position of the company.

03 Have you ever considered accepting the funds from venture capitals?

Y What is a result of the consideration?

N Explain an advantage of diversifying the fund sources which leads to raising funds efficiently.

04 Are you considering increase of capital by opening the company to the public and by equity finance?

Y Check the result of consideration whether it is appropriate or not.

N Explain advantages and disadvantages of the equity finance, and recommend that it is an advantageous way to raise funds if they have a good capacity.

05 Do you utilize non-banking finances such as factoring lease, credit and the like as alternative sources of the finds?

Y Please list up all your non-bank financing agents?

N Explain there are various fund raising methods, and they should choose the best one.

06 Do you pay attention to the supply of funds by securitization (transforming the value into the form of securities) of the company property?

Y Check the contents of actual examination on securitization.

N Explain that is an alternative to raise funds.

07 Do you raise the funds for investment in equipment with a deferment period in consideration of the construction period, trial run period and start of basic operations?

Y Check whether the deferment period is appropriate or not.

N Explain a requirement to consider the construction and preparation period in raising funds for investment in equipment.

08 Prior to compose a new management plan, do you check your ability reserved for raising new funds and make the plan within allowance of the ability?

Y Check the plan if the new funds are within the allowance.

N Explain an unnatural funds-raising will cause a failure of the plan and force to modify the plan.

09 Do you examine whether the increase of long-term operation funds can be filled with the cash flow?

Y Check whether the examination method is appropriate or not.

N It is a sound way to raise long-term operation funds by increase of the cash flow.

10 Do you raise the short-term operation funds, clarifying the usage such as seasonal funds, account settlement funds, bonus funds and so on, and planning the repayment funds?

Y Check whether the refund plan is appropriate or not.

N Explain the necessity of a refund schedule on individual usage of funds for rational operation of the funds.

11 Have you established an internal warning mechanism to prevent a disorderly management such as investment in the derivatives and so on?

Y Check if the internal warning system is properly functioning.

- N Explain a fall in temptation of an easy fund-raising leads to the disorderly management, and the necessity of a preventive system.

04 Information

01 Information

01 Do you utilize a database, which can be collected related data from micro to macro information?

Y Check the actual frequency of use of the database.

N Explain a requirement of collecting wide range information to avoid information bias.

02 Is the in-house information organized and stored according to the certain span of time such as day, week, month, quarter, semi-annual, and annual?

Y Check the database and its classification.

N Explain an advantage of quick information retrieval.

03 Is the information updated and filed chronologically? Can you always obtain the latest information?

Y Confirm whether the updating and the filling methods are appropriate or not.

N Disposal of useless and old information is needed for efficient retrieval of the latest information.

04 Is your computer system easy to use and easy to access, a user-friendly system?

Y Check the easiness of access and speed.

N Let them understand that a database hard to use is nothing but waste of money.

05 Can your system also be used for an intranet (a network which only the people inside the company can communicate) to share information?

Y Check the system by actual operation.

N Explain an advantage of easy and fast communication by an intranet.

06 Does your system maintain the reliability and safety, being protected against alteration or destruction of information by hackers and virus?

Y Please explain measures for the maintenance.

N Explain the importance and methods of securing the safety, and recommend conducting them.

07 Do you have a plan to build an information network with all the stakeholders in future?

Y Check the plan whether it is adequate or not.

N Explain it is an effective way to communicate with the stakeholders efficiently.

08 Do you consider the reduction of work processing time and cost by utilizing EDI (Electronic Data Interchange)?

Y Check the contents of the consideration if it is appropriate.

N Explain EDI is a good way to increase processing efficiency.

05 Location

01 Location

01 Do you consider the location of the company as a part of the management resources in relation to the position of production base and market?

Y Check if the present location has an advantage in actual from various views.

N Explain and let them understand that an inconvenient location is a handicap in the competition.

02 Under support of area decentralization and promotion of regional development, do you consider to locate in a local area?

Y Check the candidate area if it has any disadvantage.

N Explain advantages of locating in a local area, with some examples.

03 With the development of access to transportation and the shortening of distance and time, do you consider to locate in a rural area in order to provide the employees a pleasant living environment?

Y Please make a list of the advantages and disadvantages for comparison.

N How about to ask for the consideration as an alternative for the company growth.

04 Do you consider relocating in a rural area for securing stable workforce through the cost comparison of various locations?

- Y Make the cost comparison chart and check the advantages of rural area.
- N Explain relocation to a rural area is a good alternative for stable company growth when the conditions are appropriate.

05 Have you ever considered reduction of the communication and distribution costs as a factor in examining relocation?

- Y Check if the result of examination is correct.
- N Explain and let them understand that reduction of communication and the logistic expenses is an important factor in the cost competition for a company.

06 Do you consider a tendency to alter the corporate ethics for location from the current one in the mobile society to the new one in the aging society?

- Y How do you consider the tendency?
- N Explain and let them realize that the ethics is changing.

07 Considering the decrease in international flight fees and international freights, the improvement of the courier service and the like, do you examine let the company locate abroad?

- Y Please list up the advantages and disadvantages for a comparison.
- N Explain that it is worthwhile to consider as an alternative for the company growth.

06 Human resources

01 Employers' consciousness

01 When hiring, do you understand that employees may quit anytime depending on their will and circumstance?

- Y Check whether they analyze reasons of the employees who left the company.
- N Explain that a management, which relies on the specific employee, is not stable and has a risk.

02 Do you intend to make an operation plan reducing working hours and providing many holidays rather than paying higher salary and working for longer hours, considering the employees' preference?

- Y Check whether the company's improvement plan and the employees' preference coincide mutually.
- N Explain that if the employees have dissatisfaction, you will have a management problem in the near future.

03 Considering the workers' preference to a complicated work rather than a simple work, do you provide them team duties and multiple duties?

- Y Please show some examples of the actual allotment of work.
- N It is necessary for increase of productivity to allot duties respectively, considering the workers' preference.

04 Do you apply the expert system to meet the requirement of staff who prefer to get responsibilities, duties, and authorizations coping with the talent.

- Y Confirm the actual situation in the job descriptions.
- N Applying an expert system to develop specialty of an employee who has a talent in a specific field is an effective way for activation of human resources.

05 Do you regard employees' satisfaction important and that you don't ask the employees to work for the sake of the company but for their own selves and their families?

- Y Check whether the company policy and the employees' awareness are met.
- N Explain that you cannot promote employees' motivation and activate the organization without getting satisfaction of the employees.

02 Employment system reform

01 Do you apply a flexible employment system by introducing systems of post retirement, selective retirement, encouraged retirement, contracted employment and the like?

- Y Check the existing system if it is flexible.
- N Explain the necessity of a flexible system to deal with the changing management environment.

02 Is there a system of whole year recruiting in addition to recruiting new graduates at a regular time, to secure necessary human resources when the need arises?

- Y Check if the system enables to hire necessary personnel timely.

- N Explain an advantage of on-demand recruiting when the environmental change is rapid.
- 03 In order to quickly deal with an occurrence of new duties, are you switching from re-education and re-location of the existing employees to hiring new employees as required?**
- Y Check whether it is effective or not.
- N Explain an advantage of hiring experienced employees whenever the company needs.
- 04 Are you reforming the wage system from the seniority related wage to the performance based wage (efficiency related, output related, or task related) and maintain the labor's relative share at a proper level?**
- Y Check the wage system and labor ' s relative share whether they are appropriate or not.
- N Explain a performance based wage system is effective to increase productivity.
- 05 Are you taking a multi-carrier path system (for example, a selective system of management task or technical task etc.) that let the employees choose in addition to the conventional single carrier path system which the steps of promotion are fixed?**
- Y Check and confirm if the current system has multiple carrier paths.
- N Explain a multiple carrier path system is effective to improve individual capability and performance.
- 06 In addition to a fixed working time, do you allow the employees to choose a flexible working time to enable a flexible work shifting system?**
- Y Check whether the employees are satisfied with the current system or not.
- N Explain a flexible work shift system will increase the employees ' satisfaction and improve the turnover.
- 07 Are you changing your concept from selecting employees through subtractive evaluation to utilizing human resources through adding-points evaluation?**
- Y What is the response of the employees?
- N Explain an adding-points promotion is a good way to increase the employee ' s motivation.
- 08 Do you hire people retired from large companies with relatively lower wage, and utilize their specialized ability?**
- Y Check the actual situation if they are well used.
- N Recommend it is a way to recruit capable people with favorable conditions.
- 09 Do you utilize temporary staff from the agencies for highly specialized or simple jobs?**
- Y Check if the agencies are appropriately utilized.
- N Explain on suitable jobs to use the temporary staff agencies and the advantages.
- 10 Do you utilize contingent workers (non-regular employees such as part time workers etc.) for seasonal jobs, jobs with variable workload and the like?**
- Y Check whether the ratio of contingent workers is in proper level or not.
- N Explain that hiring contingent workers is a good way to adjust changes of the workload.
- 11 In order to continue the employment and promote the reduction of working hour, are you considering introduction of the work sharing?**
- Y Please show me your work sharing plan.
- N Explain that a stable employment requires reduction of working hours and introduction of work sharing.
- 12 Do you have an internship system for applicants to understand the company and secure opportunities to hire graduates?**
- Y Are you hiring capable employees by the internship system?
- N Explain that an internship is a good system for both parties to understand each other before hiring.
- 03 Training and learning**
- 01 Has a consciousness being infiltrated into the entire company that the company has a responsibility to conduct training for the employees so that they will be able to adopt themselves to the changes of management environment?**
- Y Check employees' awareness of the training and learning.
- N Explain the importance of training employees flexibly through workshop and education to cope with the changing environment.
- 02 Do you acknowledge that the employees need lifelong training and learning to maximize**

their value added for their own life?

Y What kind of learning do the employees have?

N Explain that maximizing value added of employees will also be effective to the company's performance.

03 Are the training plan and its budget considered as the top priority issues which the top management has to make decisions?

Y How do you make and decide the training plan and the budget?

N Explain the importance of the training which leads to improve the company performance.

04 Does the organization in charge of the training invite outside specialists and establish an effective training and learning system?

Y Check the contents of the past training whether they were effective or not.

N Explain and let them understand effective training and learning need an appropriate curriculum.

05 Does the training cover from "the improvement" of work for the operators to "the renovation" of the management strategy for the management staff?

Y Check the coverage with the training curriculum.

N Let them understand that the training should be conducted to cover every level of the entire company.

06 Is the training curriculum composed of bringing up the ability for creation and development and the ability to deal with the conventional process?

Y Check whether the both abilities are included or not in the curriculum.

N Explain that the training and education should cover both regular work and irregular work of which needs creativity.

07 Do you support career development trainings for individual self education and encourage your employees to be self-motivated to attend the training?

Y What are the career development trainings you have now?

N Explain that to support individual career development of employees is important for fostering human resources.

08 In order to increase the motivation of participants for training, do you devise an incentive system such as remuneration, reward, promotion, and so on?

Y What kind of incentives do you provide?

N Explain a requirement of an incentive system for effective training.

09 Are you continuously monitoring the training result and effectiveness by setting objective criteria, and increasing the cost performance (expenses vs. effects)?

Y Check the monitoring criteria if they are appropriate.

N Explain the necessity of continuous monitoring for fostering human resources.

10 Do you effectively utilize a government support system for the training to save the training expenses?

Y What is the government support system you are utilizing?

N Suggest applying the government support to take advantage of the official aid.

11 Does your company provide training and education for the employees to improve their employmentability (possibility to be employed and change a job)?

Y What kind of training and education do you provide?

N Explain the increase of employmentability makes employees feel comfort and stable.

12 Are the education and training planned step by step conducted according to the experience and skill of employees?

Y Check if the content of training program is appropriate.

N Explain the necessity of planned long-term training according to individual capability of the employees to bring up human resources.

13 Do you systematize the training of OJT trainer and the method of OJT training?

Y Interview OJT trainers to check whether the training system is appropriate or not.

N Explain the necessity of systematization of bringing up OJT trainers and method of training for effective OJT.

14 Is the education and training system which utilizes outside organizations established?

- Y Check if the contents of system and the outside organization utilized are appropriate.
- N Explain the training utilized outer organization is effective, if the purpose is clear.

15 Are the educations on conversation in office, personal appearance, telephone answering and the like strictly enforced?

- Y Check the contents of training if there is any lack.
- N Explain the advantage to increase discipline among employees and create better company image among outside people, and recommend the introduction of the educations.

16 Is the sanitary education strictly carried out in the food related company?

- Y Check if the contents of education including the relevant laws are appropriate.
- N Explain a lack of knowledge may leads to a serious accident, and recommend the introduction of complete education.

04 Employee satisfaction

01 Do you emphasize ES (employee satisfaction) as well as CS (customer satisfaction) and create a working environment of which enables the employee's self-actualization?

- Y Check the specific support provided by the company.
- N Explain the importance of the ES, which promote employees ' stability and productivity much.

02 Do you support your employees' self development, and are you encouraging them as they will be able to realize their full potential, have confidence, and manage their job?

- Y Ask what their specific supports are and check whether they are effective or not.
- N Explain that self development of employees will improve not only their ability but also productivity of the company.

03 Do you prepare any alternative carrier paths (management course, specialist course, etc.) so that the employees can select and improve their satisfaction?

- Y What kind of carrier path selection system do you have now?
- N Explain a flexible human resource management enables to increase the employee satisfaction and the business productivity eventually.

04 Do you try to improve the working environment so that the employees feel pleasant and comfortable in their workplaces and are willing to challenge their duties?

- Y Check the specific improvements and the effects they have made.
- N Explain the maintenance of employee satisfaction is necessary to activate the organization and reduce the turnover of employees.

05 Do you conduct a counseling to prevent the employees from having techno stress and intend to provide psychological comfort?

- Y Check the frequency of counseling and its effects.
- N Explain that the increase of stress may cause to decrease efficiency in work.

06 Whenever requested, do you counsel employees' family matters and try to create a comfortable working environment?

- Y What kind of requests and advices did you have recently?
- N Explain a private counseling is necessary to build a friendly atmosphere and trustworthy relationship.

06 Management plan

01 Planning system

01 Planning system

01 Is the management plan systematically composed from the division plans to the corporate plan with every necessary detail?

- Y Please list up all the plans, and check whether they are consistent or not.
- N Please develop a plan from division plans and add them up to compose a corporate plan.

02 Are all the plans consistent and not contradictory each other?

- Y Check the individual plans if there are any contradictions between them.
- N Consistency of plans is necessary in order to have the best result.

03 Do you divide your management plan by the period into monthly plan, annual plan, middle range plan (three years) and long-term plan (five years)?

Y Check whether the plans are divided into respective period and consistent each other or not.

N Usually a long-term plan is made first, and it is decomposed into shorter-range plans. However, if it is difficult, please make any possible plan first.

04 Is the information for construction of the management plan organized systematically in a database and can it be easily retrieved?

Y Check whether the database is systematically organized and easy to be retrieved or not.

N A systematic database makes search and maintenance easier.

05 In the process of making a plan, are the units such as amount and quantity used in the plan defined, and can they be easily compared?

Y Check whether the units are properly defined or not.

N Explain the necessity of standardization of the units for a proper comparison.

06 Do you include in advance the management plans of outside cooperative companies (subcontractors, outsourcing companies etc.) and their cooperation levels into your management plan?

Y Check if the cooperation level included is overabundant or not.

N Explain the necessity to include the cooperation level if a company has outside cooperative companies.

02 Planning procedure

01 Planning procedure

01 Does the top management indicate planning guidance such as management philosophy management policy and the like? Is the plan composed to meet with them?

Y Confirm how far the plan matches with the guidance.

N It is necessary to make a plan following the management policy.

02 Is the management plan segmented into product type, region, division and the like, and are they piled up to organize the corporate plan?

Y Check whether the plans segmented are coincided each other or not.

N Let them understand the necessity of segmentation, and ask them to make a planning scheme.

03 Is there a responsible person or organization for each management plan? Are they communicating each other closely to develop the plan?

Y Check if each segment is equally communicated.

N Explain the necessity of communication among each segment to avoid any inconsistency in making a management plan.

04 Prior to make a management plan, does the division in charge collect various materials and information, and put them in a database as a foundation of the plan?

Y Check whether the division in charge and the contents of database are appropriate or not.

N In making a management plan, collection and putting them in a database of necessary material and information are indispensable.

05 Do you compare individual management plans from each division and adjust excessive or underrated targets?

Y Check if the adjustment is properly made.

N An improper individual target may upset the total corporate target.

06 In the case where an individual plan does not match with the whole corporate plan, do the top management modify it by their own assignment?

Y Is the modified plan accepted by the division that made the original one?

N If the plan is not modified, the whole corporate plan cannot be made properly and consistency among the plans is not achieved.

07 Is the plan-making period from the starting up of the information searching to the finalizing of the plan fixed? Has the plan been completed before the start of new financial year ?

Y Check the actual schedule.

N What is the problem, which caused delay of the plan-making? Analyze the cause.

08 Is the finalized management plan easy to understand? Is the plan well understood by all

employees through documents, explanatory meetings and the like?

Y Ask and check whether each employee has understood the plan or not.

N In order to realize the plan, all employees should know and understand the plan thoroughly.

09 With regard to the confidential part of the management plan, do you take any security measures to prevent the plan from leakage?

Y Check whether the measures properly function or not.

N A leakage of confidential information causes a serious damage to the company in the competitive environment.

10 Do you unofficially inform the corporate plan to the outside vendors (subcontractors, outsourcing companies etc.) for a temporary acceptance and cooperation to the plan prior to the execution?

Y Check whether major outside vendors have temporarily and surely agreed the plan or not.

N The temporary acceptance is needed to realize the plan, if you need cooperation of the outside vendors.

03 Planning skill

01 Planning skill

01 Do you make a management plan by combining all the skills including from short term (improvement activity) to long term (reformation strategy) and composing them comprehensively?

Y Check the contents of the included skills whether they are comprehensively composed or not.

N A management plan is not merely a simple extension of the current situation, but it is a plan of the reformation with input of the skills.

02 Do you apply a contingency plan (a technique of management plan to cope with a situation unexpected) to deal flexibly with the rapidly changing management environment?

Y Confirm the contingency plan and the content of the deal.

N A contingency plan is effective in order to deal with the rapidly changing business environment.

03 Do you apply a benchmarking method to target the best practice (way of execution by the top enterprise in the industry)?

Y Check whether the respective methods and targets are correct or not.

N Recommend to introduce the method whatever the company can apply.

04 Do you make a plan to utilize the company's strength and eliminate its weakness by using the SWOT (strength, weakness, opportunity, threat) analysis?

Y Check whether the method is correct or not.

N Explain the SWOT analysis, and recommend including it in the management planning.

05 Do you include methods of restructuring and reengineering into your management planning?

Y Check whether the methods are correctly applied.

N Explain the necessity of applying the methods to cope with changes in the management environment.

06 To cope with the internationalization, do you make the management plan with consideration of the worldwide reformation from the global point of view?

Y Check if the prospect of the internationalization are appropriate.

N Under the globalization of economy, a management planning without consideration of the globalization is very difficult.

07 Do you consider the risk management in preparation for unexpected natural disasters, PL (product liability) and so on?

Y Confirm if the risk management is properly planned in the necessary areas.

N Explain the necessity and importance of the risk management in order to prepare for unexpected disasters and accidents.

08 Do you shift the management plan from sales oriented standard to value-added oriented standard in order to improve the profitability?

- Y Check whether the profitability is increasing or not.
- N Explain the increase of the profitability is more important than that of the sales.
- 09 Do you try to smooth the funds supply by making the management plan which emphasizes requirement of needed capital increase ratio rather than sales growth ratio?**
- Y Check whether the funds are raised smoothly or not.
- N Let them understand that the company growth and the increase of sales require smooth fund supply.
- 10 Do you include the national and local government SME support policies into your management planning in order to stabilize the management and increase the public reputation?**
- Y What kind of policies do you include into your planning?
- N Explain an advantage of utilizing the government supports.
- 11 Do you adjust your management plan to match with the plans of outside venders such as subcontractors and outsourcing companies?**
- Y What kind of measures do you take to adjust the plan?
- N Matching with the plans of outside venders is necessary for accomplishment of a management plan.
- 12 In order to improve the financial condition, do you include selling of unnecessary non business assets (unnecessary machinery, useless real estate etc.) into your planning?**
- Y Check if the assets scheduled to be sold are really unnecessary or not.
- N Explain holding unnecessary assets causes to weaken the financial condition.
- 13 Do you include a tie-up, an integration and the like (collaboration of business, business tie-up, capital tie up, mergers etc.) into your management planning?**
- Y Check if the integration or the tie-up provides an advantage for the business.
- N There are alternatives you can choose other than an independent plan in planning a management plan.
- 14 Have you considered a liquidation (bankruptcy, special clearing off) in addition to a reconstruction plan in your management planning?**
- Y Please list up the advantage and disadvantage for comparison.
- N Consideration of the reconstruction has to be widely examined.
- 15 In making a plan, do you give priority to a matter you can achieve in a short period, and cope with a reformation plan difficult to achieve in middle and long term?**
- Y Check if the order of priority is appropriate or not.
- N Explain the necessity of including a feasible matter in the planning and executing it promptly in reformation.

04 Difference analysis

01 Understanding actual performance

- 01 Has the management plan been surely achieved? Has the result never been grasped with the excuse of busy work?**
- Y Check if the analysis of difference between the plan and the result is proper or not.
- N A difference analysis is required in order to check whether the operation is done following the plan or not. If not, take necessary actions or modify the plan.
- 02 Are all the items decided in the management plan predetermined in the planning step so that their result should be grasped.**
- Y Check whether the predetermined method is appropriate or not.
- N Predetermining in the planning step is needed to secure grasping the result.
- 03 Is the grasp of business performance conducted promptly, in a regular time lag and without delay?**
- Y Check the actual time lag whether it is within a proper range or not.
- N The comparison and analysis should be made in a regular time lag.
- 04 Are the management performance results made and submitted on a standard format, with a fixed unit, by division and by management level?**
- Y Confirm whether the performance reports of each division and the corporate level are appropriate or not.
- N The use of a standard form and a fixed unit common in a division are required for fair

comparison.

05 Is the timing of grasping the business performance fixed continuously by day, week, 10 day period, month, quarter, semi-annual and annual?

Y Are you checking at the fixed timing?

N A periodical check and grasp from a short period to a long interval is necessary.

06 Isn't there any concealment or fabrication of the business performance result? Is the actual value being grasped all the time?

Y Without report of actual data, a judgment on the management may be misled, and the company has a responsibility to report the truth.

N Through analysis of major performance results, check if the real data are reported and grasped.

07 Are the business performance data printed in hard copy, displayed and disclosed to the people concerned as openly as possible?

Y Hear from and check the people concerned whether they receive correct data.

N To disclose information openly to the people concerned is necessary.

08 Regarding the data that require confidentiality, are they clearly predetermined and prevented from their spreading?

Y Check if the method of prevention is appropriate or not.

N Explain the damage by leakage of confidential data is very serious and the prevention from their spreading is necessary.

02 Standard of comparison

01 Do you compare the plan and the result? Do you continuously calculate the difference ratio or value using a standard formula?

Y Check the past data compared to see if it was properly made.

N Explain a requirement of continuous and regular comparison to grasp difference of the plan and the actual performance.

02 With regard to the difference in quantity, amount and ratio, have you established criteria to evaluate an achievement level of the plan, and is it adequate?

Y Check whether the criteria are adequate or not.

N Setting adequate criteria is required for measuring a correct achievement level of the plan.

03 Do you compare the actual data grasped with the international data, the industry data, and the regional data?

Y What is the result of the comparison?

N Explain the importance of comparison with competitors, in the domestic market and in the global market in order to understand the correct position of the company.

03 Comparison of progress level and achievement level

01 Do you check the difference between the monthly plan and the actual performance daily, weekly, and every 10 days, as the result of progress level in the month, and make a recovery plan?

Y Check if the recovery plan is appropriate and timely proceeded.

N Explain the necessity of frequent progress checks and a recovery plan in case of delay.

02 At the end of a month, do you check the monthly achievement level? If the result does not reach the plan, do you analyze the cause and make a recovery plan after the next month?

Y Have the past recovery plans been executed and successful?

N The analysis of the reason, the recovery plan, and its execution are needed to achieve a plan.

03 In case you do not reach the monthly achievement level for three consecutive months, do you subdivide and analyze the reasons by the products, the customers and the like?

Y Check whether the subdividing and the contents of analysis are correct or not.

N If you do not achieve a plan for three consecutive months, there should be a fundamental problem, and you require an analysis of the reasons by the product, by the customer and the like.

04 In case you do not achieve the cumulative total for six months, do you grasp whether it is because of competitive condition or shrinkage of market by clarifying the dull products or dull regions?

- Y Check the results of past analysis whether they are reasonable or not.
- N If you don't achieve the plan for a long term, it is necessary to consider a macroeconomic analysis of the market and a withdrawal from the market.

05 If it has been considered that the reason you have not achieved the cumulative total for six months is due to the inferior position in the competitive situation, do you try to examine the countermeasures with the whole company?

- Y If the inferior position was the reason, what kind of countermeasures did you take?
- N If you are inferior in the competitive condition, a fundamental reconsideration of the competitive strategy is required.

06 With regard to the product predicted the shrinkage of the market when you have not achieved the cumulative total for six months, do you consider a withdrawal of the product from the market?

- Y If the market is shrinking, what kind of countermeasures do you take?
- N With regard to product predicted shrinkage of the market, a withdrawal is one of the alternatives, and the reconstruction of the product strategy is required.

05 Future orientation

01 Fostering plan

01 Do you have a management plan to bring up an inactive product today which has a potential in future?

- Y Check if the inactive product has a future potential.
- N Explain the necessity of bringing up a product which will be one of the main profit resources in future.

02 Do you have a management plan to bring up and promote an inactive area today which has a potential in future?

- Y Check if the inactive area has a future potential.
- N Explain the necessity of expansion of the area for growth of an enterprise.

03 Do you foresee a change of management environment in future and make a management plan fostering the organization to cope with it?

- Y Check the contents of the plan if it is appropriate.
- N Explain a requirement of organization change to deal with the environmental change.

04 Do you pay attention to financial measures to adopt the future changes in management environment?

- Y Ask them how they are going to invest the fund.
- N Explain the necessity of frequent investments to deal with the environmental change and consideration of the countermeasures.

05 In case it is needed, do you provide opportunity to study the cultivation of future market and the like by corporate alliance?

- Y Ask the specific partner and the contents of study to see if they are appropriate.
- N Explain an advantage of future market cultivation by corporate alliance for growth of the enterprise.