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?
- Yes, I remain calm and consistent in my decisions.
- No, I can be unpredictable at times.

02 Are you a person of common sense? Can you provide solutions to problems in a fair manner?
- Yes, I always strive to be fair and just in my solutions.
- No, I may sometimes stray from fairness in my solutions.

03 Are you passionately contributing to the society? Do you take part in helping others and participating in voluntary activities and the like positively?
- Yes, I dedicate a lot of time to societal contributions.
- No, I do not actively participate in such activities.

04 Are you healthy? Do you talk and behave vigorously?
- Yes, I maintain my health and vigor.
- No, I do not prioritize health and vitality.

05 Do you grasp the facts objectively, try to understand positions of the opposition, and settle problems in a satisfactory manner?
- Yes, I understand both sides and work for a fair resolution.
- No, I may focus on my own perspective and settle problems one-sidedly.

02 Appeal as an organization member

01 Do you find worth and enjoyment in challenging reforms of the management environment?
- Yes, I relish the challenge of change.
- No, I avoid changes and resist reforms.

02 Are you rich in specialized knowledge, good in selecting minimum required information and putting them in order?
- Yes, I have ample knowledge and select useful information for decisions.
- No, I may rely on others for information.

03 Can you compose documents easy to understand, listen well in dialogues, and make speech that can touch a chord with many audiences?
- Yes, I communicate effectively with various audiences.
- No, I may struggle with communication.

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?
- Yes, I adjust my leadership style to suit the situation.
- No, I may not be flexible in my leadership approach.

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?
- Yes, I provide constructive feedback and encouragement.
- No, I may not offer the necessary support and guidance.

06 Do you assure the capabilities of the persons concerned and boost their morales by giving compliments occasionally?
- Yes, I appreciate and acknowledge the efforts of others.
- No, I may not be appreciative of others’ work.
07 When opinions differ, do you work at trying to understand the differing opinions through frank dialogues?
Y Try to know the real situation and understand the different opinions that exist.
N Do you engage in discussions and try to understand the differing 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 For 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 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 strategy, not as a nice looking overseas performance?
N Confirm who has an authority to decide, surveying shares of stock holding, ages, family-relations and the like of the management.

03 Are you enthusiastic about introduction of the international standards? Do you have understanding of the ISO, international Accounting Standards and the like you direct the 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.
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?
- Confirm the actual situation from his/her speaking in the board of directors, his/her participation to the decision and the like.
- 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?
- Are their proposals and participations really useful as the opinions of the third party?
- 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?
- Check the guideline and recent situations of the appointment.
- 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?
- Besides the formality, is there any useful discussion for the enterprise in the board?
- 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 directors?
- Has the age limit been conducted fairly and justly? Is the setting of the age adequate?
- 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 appointed directors?
- Check whether the stimulation policies adopted are effective or not for both the enterprise and the executives.
- 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 inside and outside of the enterprise?
- How is the outer and internal evaluation on the candidate? Survey the real intentions.
- 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 considering his acceptance?
- Do you understand the merit and the demerit to have a successor of the same family?
- 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 successor?
- Let them plan for the smooth acceptance, even if it will take time.
- Hasty acceptance of a successor may sow the seeds of future strife.

04 Have you decided on treatment and promotion of the successor?
- Are the treatment and the schedule of promotion of the successor reasonable when you have evaluated his ability diversely and objectively?
- 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 business-related companies?
- What measures do you have to find suitable persons and to get information for the candidates?
- A member of the same family is not an only candidate for successor. You should look for
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
- N

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

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

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

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

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
- N

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
- N

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
- N

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

04 Do you try to maintain a safe and pleasant workplace by emphasizing Employee Satisfaction?
- Y
- N
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 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 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 Do you make your short and long-term visions and modify them according to the changes of the management environment?
  - Y
  - N

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

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

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

03 Do you analyze the structure concerning employment, demand, distribution, finance and the like, and grasp the status quo of the structural reforms?
  - Y
  - N

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

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

07 Do you recognize that today is the age when the economic sphere is internationalized and we have to consider our management environment globally?
  - Y
  - N

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

09 Do you have a system to check the information on changes of the management environment and to identify the right information?
  - Y
  - N
10 Do you judge by multiple factors to grasp the reforms of the management environment?
- Do you judge by multiple factors to grasp the reforms of the management environment?

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

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

02 Positioning analysis of the enterprise

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

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

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

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

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

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

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?
- 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?

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

09 Isn’t the market of your main products declining and don’t you need to enter into a new domain?
- Isn’t the market of your main products declining and don’t you need to enter into a new domain?
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 quickly respond to demand, realize quick delivery, and try to get advantage in competition?
  N Isn't there any sign of the decline in the market? Is the basis for existence of the enterprise stable?

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

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

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

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

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

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

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

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?

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

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

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

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 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 intensions 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 If the decrease in your market is to be predicted, do you have a diversified product or business field?

N The decrease in the domestic market can often be predicted by a trend in the foreign markets in advance.

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

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?

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

Y Is your advantages in your own technology enough, when your 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
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 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.

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 Do you have any guideline or schedule to assess the result?

N You may get bogged down if you lose a chance to withdraw.

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
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 If you do so, what is the combination of your business model and IT development?
N If you do so, what is the primary purpose of the development of your 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?
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 Confirm whether the method of announcement is appropriate or not.
- N Explain a delay in announcement may cause an improper organizational function.

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

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

02 Is each authorization of the management clearly defined and observed together with the duty and responsibility?
- Y Is each authorization of the management clearly defined and observed together with the duty and responsibility?
- 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?
Are the authorization executed by dividing into the proposal, examination, decision and enforcement?

Check whether a delay of the enforcement exists or not due to a concentration of the authorization.

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

Please show some examples to understand that each authorization is properly set.

Fixing an organization based on the duty and the authority is necessary for efficient operation.

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

Confirm whether the method of empowerment is appropriate or not.

Explain the worker's empowerment is effective for activation of an organization.

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

Check if the organization chart and each span of the authority are appropriate.

Explain the necessity of an agile management to adopt with the rapidly changing business environment today.

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?

Check if there is that kind of function and it is properly working.

Explain a requirement of the internal checking system because the deviation for a long time may lead to a destruction of the organization.

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

Check the meeting rules and the past meeting minutes.

Have you ever experienced that arguments or different opinions are raised in the meeting, and they caused problems?

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

Please list up the respective organizations.

Explain the necessity of separate organization for smooth operation of meetings.

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?

Check the actual meetings, committees and those members.

Explain how to motivate and provide responsibility to the members and the attendants.

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?

Check the regulations for administration of meetings and the meeting minutes.

Explain the importance of having regular meetings, recording the meeting contents, sharing information of the decisions and budgeting.

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?

What kind of specialists do you look for, and is their participation effective?

Explain an advantage of utilizing outside specialists to supplement the limited in-house knowledge.

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.

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.

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 resource saving by specific figures?

N Explain that the energy and resource saving will lead to cost reduction.

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.

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.

Machinery and equipment

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.

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.

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.

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.

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.

Have you ever considered to use subcontractors instead of your own investment in the
equipment and to become a fables (without factory) company?

- Please explain your consideration in the past.

03 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?

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

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

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

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

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

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

- Check the contents of actual examination on securitization.

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

- Check whether the plan is appropriate or not.

06 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?

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

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?

- Check whether the deferment period is appropriate or not.

08 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?

- Check whether the usage and repayment plans are appropriate or not.

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

- Check if the internal warning system is properly functioning.
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 it.

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

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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?

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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?

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

06 Human resources

01 Employers’ consciousness

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

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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?

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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.

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

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?

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

02 Employment system reform

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

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No

- 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?

- Yes
- No

- Yes
- No

- Yes
- No

- Yes
- No
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: The consciousness is shared with the employees.
N: Explain a consciousness must be formed in the company to introduce training for the employees.

02 Do you acknowledge that the employees need lifelong training and learning to maximize
their value added for their own life?
Y Yes, it is important for the employees to have value added for their own life.
N It is necessary to consider the employees' personal development.

03 Are the training plan and its budget considered as the top priority issues which the top management has to make decisions?
Y Yes, the training plan and budget are the top priorities for the top management.
N It is important to consider the training plan and budget as part of the overall strategy.

04 Does the training plan and budget consider the effectiveness of the training and learning system?
Y Yes, the training plan and budget consider the effectiveness of the training system.
N It is important to consider the effectiveness of the training plan and budget.

05 Do you support career development trainings for individual self education and encourage your employees to be self-motivated to attend the training?
Y Yes, we support career development trainings and encourage self-motivated participation.
N It is important to support individual career development.

06 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 Yes, we have an incentive system to motivate participants.
N It is important to devise an incentive system for effective training.

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N It is important to support individual career development.

14 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 Yes, we have an incentive system to motivate participants.
N It is important to devise an incentive system for effective training.
15 Are the educations on conversation in office, personal appearance, telephone answering and the like strictly enforced?
- Y Check if 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’s 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)?
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 venders (subcontractors, outsourcing companies etc.) for a temporally acceptance and cooperation to the plan prior to the execution?
Y Check whether major outside venders 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 venders.

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?
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?
- Yes
- No

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?
- Yes
- No

11 Do you adjust your management plan to match with the plans of outside vendors such as subcontractors and outsourcing companies?
- Yes
- No

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?
- Yes
- No

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?
- Yes
- No

14 Have you considered a liquidation (bankruptcy, special clearing off) in addition to a reconstruction plan in your management planning?
- Yes
- No

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?
- Yes
- No

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?
- Yes
- No

02 Are all the items decided in the management plan predetermined in the planning step so that their result should be grasped.
- Yes
- No

03 Is the grasp of business performance conducted promptly, in a regular time lag and without delay?
- Yes
- No

04 Are the management performance results made and submitted on a standard format, with a fixed unit, by division and by management level?
- Yes
- No
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  Setting adequate criteria is required for measuring a correct achievement level of the plan.

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 Do the departmental management or the whole company have any countermeasures to the inferior
situation? If there is no such countermeasure, it is necessary to consider to withdraw
from the market.
N If the inferior position was the reason, what kind of countermeasures did you take?
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 you withdraw the product, 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.
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 Do you consider whether 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 Do you consider whether 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 Do you consider whether the future management environment change?
N Explain the 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 Do you consider 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 Do you consider whether the corporate alliance provide the opportunity to study the cultivation
of future market?
N Explain the advantage of future market cultivation by corporate alliance for growth of
the enterprise.