

Deloitte Touche Tohmatsu / Council on Competitiveness

CEO Survey

Global Competitiveness in Manufacturing

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Business Confidence and Current Environment

1. To what extent have developments in the financial markets and global economic downturn impacted your business performance over the last 12 months? (Please circle answer)

High negative impact		Little or no impact		High positive impact
1	2	3	4	5

2. How likely do you think that the developments in the financial markets and global economic downturn will lead your company to take the following actions over the next 12 months? (Please circle answer)

	Not likely			Extremely likely	
	1	2	3	4	5
a. Reduce headcount	1	2	3	4	5
b. Locate operations in lower-cost locations	1	2	3	4	5
c. Enter new geographic markets	1	2	3	4	5
d. Expand in existing geographic markets	1	2	3	4	5
e. Develop new products and services	1	2	3	4	5
f. Reduce complexity in existing products and services	1	2	3	4	5
g. Invest in new technologies	1	2	3	4	5
h. Streamline business processes	1	2	3	4	5
i. Acquire companies	1	2	3	4	5
j. Divest operations	1	2	3	4	5
k. Consolidate supply base	1	2	3	4	5
l. Increase outsourcing	1	2	3	4	5
m. Seek joint ventures/alliances	1	2	3	4	5
n. Conduct major business reorganization	1	2	3	4	5
o. Other (Please specify) _____	1	2	3	4	5

3. How confident are you in the ability of government and economic policy leaders to take appropriate actions regarding the economy over the next two years? (Please circle answer)

	Not likely			Extremely likely	
a. Governments overall around the world	1	2	3	4	5
b. Government in country where your company is headquartered	1	2	3	4	5
c. International economic and policy organizations	1	2	3	4	5

4. Which of the following environments regarding trade do you foresee in the next 2 years as a result of government policies and actions in the country where your company is headquartered? (Please circle answer)

- | | |
|--|--|
| a. Much more protectionist environment | d. Somewhat more free trade and investment |
| b. Somewhat more protectionist environment | e. Much more free trade and investment |
| c. No change in current environment | |

5. How likely are the following economic scenarios over the next 2 to 3 years for the country where your company is headquartered? (Please circle answer)

	Not likely			Extremely likely	
a. Normal recovery	1	2	3	4	5
b. Overshoot—Recovery with high inflation, followed by a second recession	1	2	3	4	5
c. Stagnation—Inability to reignite significant economic growth	1	2	3	4	5
d. Contraction—Severe, prolonged recession	1	2	3	4	5

6. How much planned emphasis will your company most likely place on the following strategies in the most likely scenario as indicated in question 5? (Please circle answer)

	No plans					Significant emphasis
a. Ride out the unpredictable economic time	1	2	3	4	5	
b. Focus on protecting company assets	1	2	3	4	5	
c. Focus on improving cash flow	1	2	3	4	5	
d. Look proactively for new growth opportunities	1	2	3	4	5	
e. Develop radically new strategies for manufacturing	1	2	3	4	5	
f. Divest unrelated businesses	1	2	3	4	5	
g. Explore opportunities for acquisitions	1	2	3	4	5	
h. Improve cost competitiveness	1	2	3	4	5	
i. Other, please specify _____	1	2	3	4	5	

7. How likely do you think it is that the following actions of the country where your company is headquartered will be effective? (Please circle answer)

	Not likely			Extremely likely	
a. Economic stimulus	1	2	3	4	5
b. Restoring health of financial system	1	2	3	4	5

8. When do you believe your company and your industry will recover from the effects of the current economic downturn? (Please check appropriate box)

	Last half of 2009	First half of 2010	Last half of 2010	2011 or beyond
a. Your company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Your industry overall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Manufacturing Competitiveness

9. How important are the following factors in determining the competitiveness of a country's manufacturing sector? (Please circle answer)

	Not important										Extremely important
	1	2	3	4	5	6	7	8	9	10	
a. Cost competitiveness	1	2	3	4	5	6	7	8	9	10	
b. Quality of infrastructure (telecommunications and supply chain)	1	2	3	4	5	6	7	8	9	10	
c. Taxation, legal, and regulatory environment	1	2	3	4	5	6	7	8	9	10	
d. Collaborative relationship between the private and the public sectors	1	2	3	4	5	6	7	8	9	10	
e. Government's emphasis on investments in manufacturing	1	2	3	4	5	6	7	8	9	10	
f. Health of the economic and financial system	1	2	3	4	5	6	7	8	9	10	
g. Capacity for manufacturing innovation (both product and process)	1	2	3	4	5	6	7	8	9	10	
h. Availability of raw materials	1	2	3	4	5	6	7	8	9	10	
i. Quality of the labor force	1	2	3	4	5	6	7	8	9	10	
j. Size of the local market	1	2	3	4	5	6	7	8	9	10	
k. Intensity of local competition	1	2	3	4	5	6	7	8	9	10	
l. Availability of qualified local supplier base	1	2	3	4	5	6	7	8	9	10	

10. Considering the factors in Question 9, please rate the current overall manufacturing competitiveness of the following countries. How competitive do you think manufacturing is in each of the following countries NOW? (Please circle answer or fill in the box)

	Not competitive										Extremely competitive	Don't know
North and South America												
a. Argentina	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
b. Brazil	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
c. Canada	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
d. Mexico	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
e. United States of America	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
f. Any other country in the region	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
Europe												
g. Belgium	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
h. Czech Republic	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
i. France	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
j. Germany	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
k. Italy	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
l. Netherlands	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
m. Poland	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
n. Russia	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
o. Spain	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
p. Switzerland	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
q. United Kingdom	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
r. Any other country in the region	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
Asia, Oceania and Africa												
s. Australia	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
s. China	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
t. India	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
u. Japan	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
v. Republic of Korea	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
w. Singapore	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
x. Saudi Arabia	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
y. South Africa	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
z. Thailand	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>
aa. Any other country in the region	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>	<input type="checkbox"/>

11. Considering the factors in Question 9, overall, how competitive do you think manufacturing will be in each of the following countries 5 years from now? (Please circle answer or fill in the box)

	Not competitive										Extremely competitive										Don't know
North and South America																					
a. Argentina	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
b. Brazil	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
c. Canada	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
d. Mexico	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
e. United States of America	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
f. Any other country in the region	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
Europe																					
g. Belgium	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
h. Czech Republic	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
i. Denmark	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
j. France	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
k. Germany	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
l. Hungary	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
m. Italy	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
n. Netherlands	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
o. Poland	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
p. Russia	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
q. Slovenia	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
r. Spain	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
s. Switzerland	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
t. Turkey	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
u. United Kingdom	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
v. Any other country in the region	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
Asia, Oceania and Africa																					
w. Australia	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
x. China	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
y. India	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
z. Japan	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
aa. New Zealand	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
bb. Republic of Korea	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
cc. Singapore	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
dd. Saudi Arabia	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
ee. South Africa	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
ff. Thailand	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>
gg. Any other country in the region	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	<input type="checkbox"/>

12. For the country/countries which you have rated the highest on a scale of 1 to 10 in Question 10, please indicate the three most important factors from the list provided below, which resulted in those countries having the highest overall manufacturing competitiveness. (Please circle three answers)

- a. Cost competitiveness
- b. Quality of infrastructure (telecommunications and supply chain)
- c. Taxation, legal, and regulatory environment
- d. Collaborative relationships between the private and the public sectors
- e. Government's emphasis on investments in manufacturing
- f. Health of the economic and financial system
- g. Capacity for manufacturing innovation (both product and process)
- h. Availability of raw materials
- i. Quality of the labor force
- j. Size of the local market
- k. Intensity of local competition
- l. Availability of qualified local supplier base

13. How important are the following factors as sources of competitive advantage for your company today and how important do you think they will be in 5 years? (Please circle answer)

	Today					In 5 years				
	Not important				Extremely important	Not important				Extremely important
a. Overall product quality as perceived by customers	1	2	3	4	5	1	2	3	4	5
b. Low prices	1	2	3	4	5	1	2	3	4	5
c. Innovation	1	2	3	4	5	1	2	3	4	5
d. Delivery speed	1	2	3	4	5	1	2	3	4	5
e. Customization	1	2	3	4	5	1	2	3	4	5
f. Product variety	1	2	3	4	5	1	2	3	4	5
g. Service	1	2	3	4	5	1	2	3	4	5
h. Brand image	1	2	3	4	5	1	2	3	4	5
i. Overall customer perceived value	1	2	3	4	5	1	2	3	4	5
j. Other (Please specify)	1	2	3	4	5	1	2	3	4	5

Demographics

14. Where is the headquarters for your parent company located? (Please circle answer)

- | | | | |
|-------------------|----------------|----------------------|---------------------------|
| a. Argentina | i. France | q. New Zealand | y. Spain |
| b. Australia | j. Germany | r. Poland | z. Switzerland |
| c. Belgium | k. Hungary | s. Republic of Korea | aa. Thailand |
| d. Brazil | l. India | t. Russia | bb. Turkey |
| e. Canada | m. Italy | u. Saudi Arabia | cc. United Kingdom |
| f. China | n. Japan | v. Singapore | dd. United States |
| g. Czech Republic | o. Mexico | w. Slovenia | ee. Other, please specify |
| h. Denmark | p. Netherlands | x. South Africa | _____ |

15. What is the primary industry or activity of your company? (Please circle answer)

- | | | |
|---|---|---------------------------------|
| a. Aerospace & defense | i. Consumer apparel and footwear | r. Process—chemicals |
| b. Agricultural products | j. Consumer appliances/electronics | s. Process—paper |
| c. Automotive—original equipment manufacturer | k. Consumer packaged goods | t. Process—metals |
| d. Automotive—supplier | l. Industrial equipment manufacturer | u. Telecommunications equipment |
| e. Computer hardware | m. Power generation plant and equipment | v. Textile |
| f. Electronics, instruments and controls | n. Automation technology | w. Other (Please specify) |
| g. Semiconductor manufacturer | o. Medical equipment | _____ |
| h. Consumer food, beverage and tobacco products | p. Plastic and rubber products | |
| | q. Pharmaceuticals | |

16. What are the total annual global revenues (in US\$) of your company? Total annual revenues where your company is headquartered? (Please circle answer)

- | | |
|---|---|
| a. Less than US\$ 50 million | f. US\$ 1 billion to less than US\$ 5 billion |
| b. US\$ 50 million to less than US\$ 100 million | g. US\$ 5 billion to less than US\$ 10 billion |
| c. US\$ 100 million to less than US\$ 250 million | h. US\$ 10 billion to less than US\$ 25 billion |
| d. US\$ 250 million to less than US\$ 500 million | i. US\$ 25 billion or more |
| e. US\$ 500 million to less than US\$ 1 billion | |

17. Over the last 3 fiscal years, what is the approximate global profitability (earnings before interest and taxes as a percentage of revenue) for your company? Approximate profitability in the country where your company is headquartered? (Please circle answer)

- | | |
|------------------------------------|-------------------------|
| a. Negative (net loss) | f. 15% to less than 25% |
| b. Break even (no profit, no loss) | g. 25% to less than 35% |
| c. Less than 5% | h. 35% to less than 45% |
| d. 5% to less than 10% | i. 45% or more |
| e. 10% to less than 15% | j. Don't know |

18. Over the last 3 years, please indicate the performance of your company with respect to the global profitability goals. With respect to the profitability goals in the country where your company is headquartered? (Please circle answer)

- a. Did not meet profitability goal
- b. Met profitability goal
- c. Exceeded profitability goal
- d. Don't know

19. What is your title? (Please circle answer)

- a. Chairman
- b. CEO
- c. President

- d. Managing Director
- e. Other (Please specify)

20. If you would like to receive an executive summary of the survey findings, please provide your contact information below.

First name _____ Last name _____

Title _____ Company _____

Telephone _____ Email _____

21. We will be conducting a select number of follow-up interviews on the issues addressed in this survey. Would you be willing to consider participating in one of these follow-up interviews? (Please circle answer)

Yes

No

Submit your completed survey.

We would appreciate your assistance to have someone from your team input your completed responses directly into the online survey tool, which can be found at www.deloitte.com/globalcompetitiveness. Should you have any questions, please do not hesitate to contact Kristen Bescoe at (313) 324-1275 or kbescOE@deloitte.com.

Thank you for your participation.

Council on Competitiveness

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