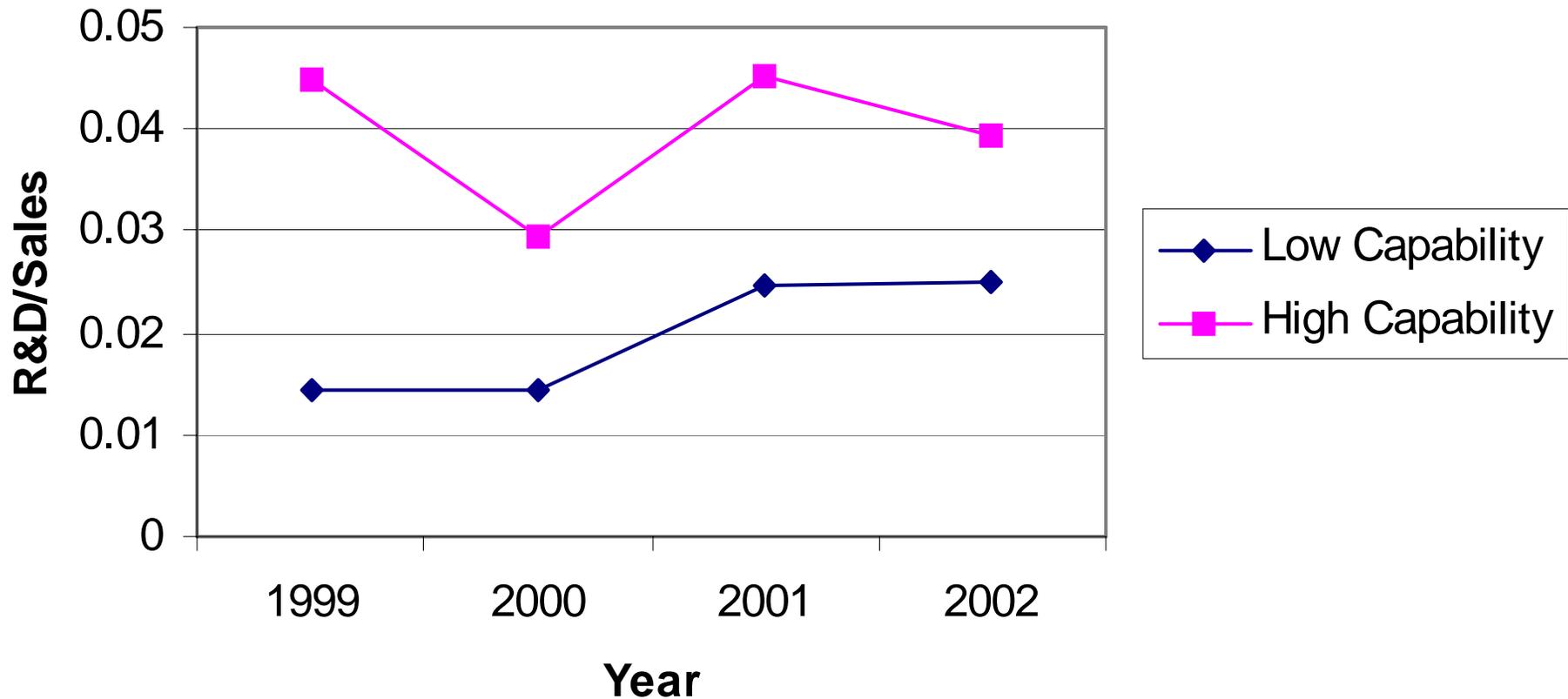


Comparison of Firms with High and Low Levels of Strategic Capabilities

	Bottom 25% Strategic Capability	Top 25% Strategic Capability
Highly capable firms have greater <i>speed</i>	2.82	5.03
Highly capable firms have <i>outstanding talent</i>	3.13	5.33
Highly capable firms have a greater <i>capacity to learn</i>	3.00	5.11
Highly capable firms exhibit greater <i>innovation</i>	3.15	5.28
Highly capable firms exhibit a <i>shared mindset</i>	2.69	5.19
Highly capable firms exhibit greater <i>accountability</i>	2.77	5.14

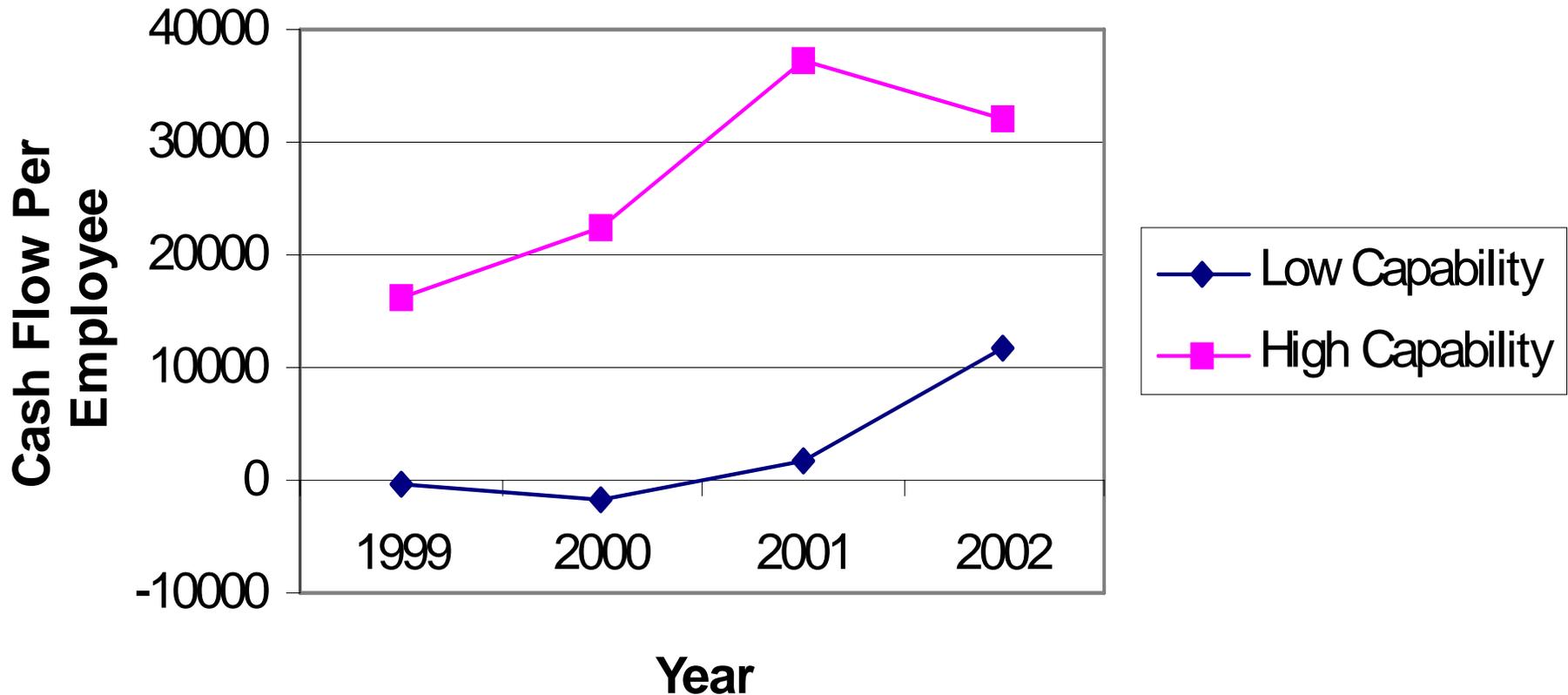
Strategic Capabilities Drive *Innovation* (R&D/Sales)

Strategic Capabilities and Innovation



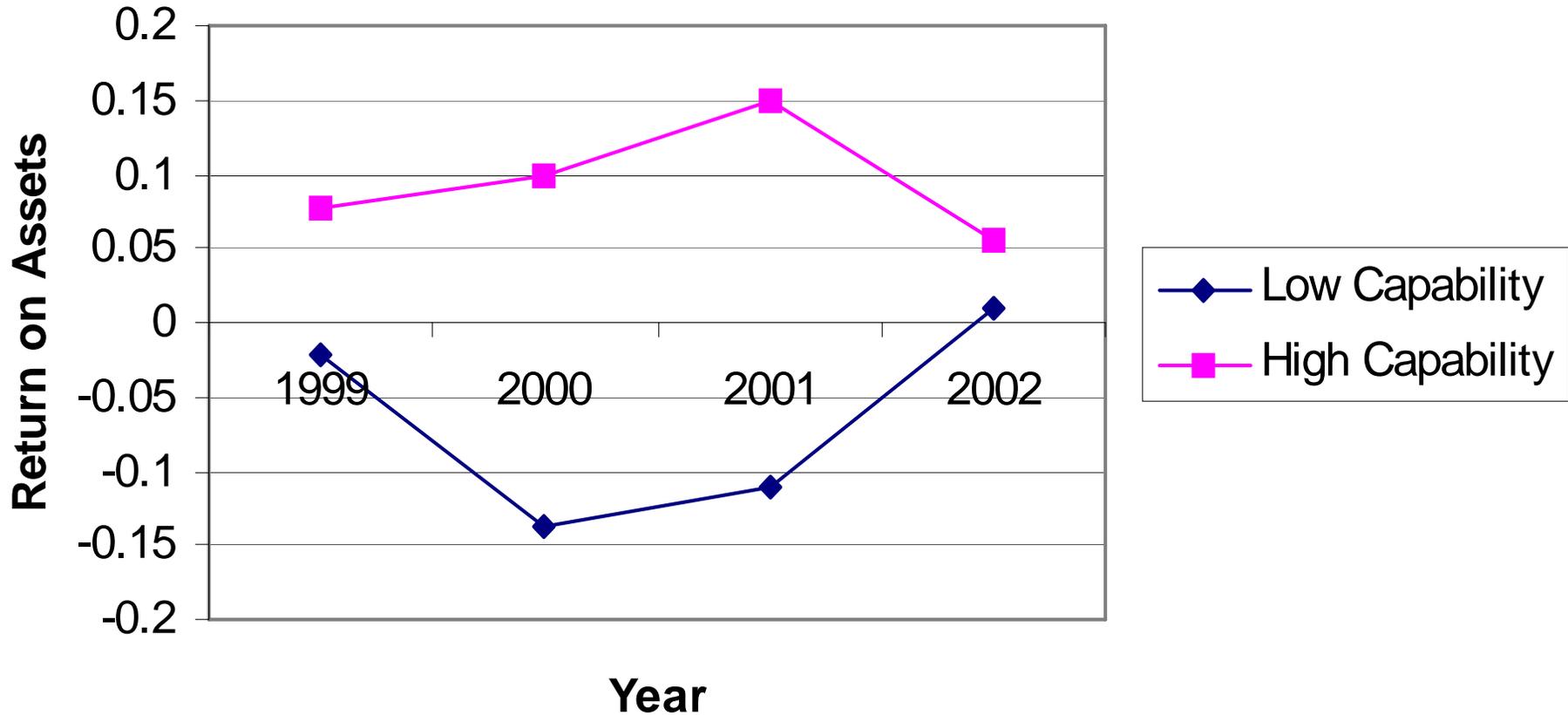
Strategic Capabilities Drive *Productivity*

Strategic Capabilities and Productivity (Cash Flow Per Employee)



Strategic Capabilities Drive *Return on Assets*

Strategic Capabilities and Return on Assets



Strategic Capabilities and Shareholder Value

Strategic Capabilities and Shareholder Value

