

Competing with your startup

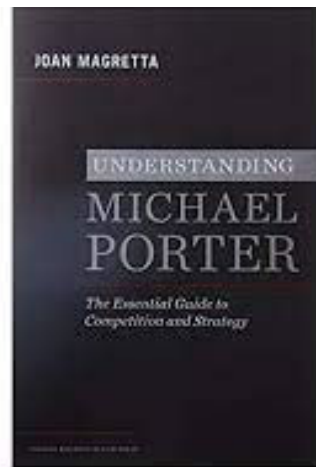
2025 HKU Class 2

ECOM 7122

Entrepreneurship Development

Prof. Amy Shuen

Competitive Advantage & Value Chain Analysis



<https://www.youtube.com/watch?v=oN2tvUgwcWw>

Class 2: Applied to the Simulation Game: Strategy Statements & Profitability

In class 2, we apply our company level analysis and our industry-level analysis to our own team startup. We prepare for meeting in our executive teams and practice the following analyses in our startups.

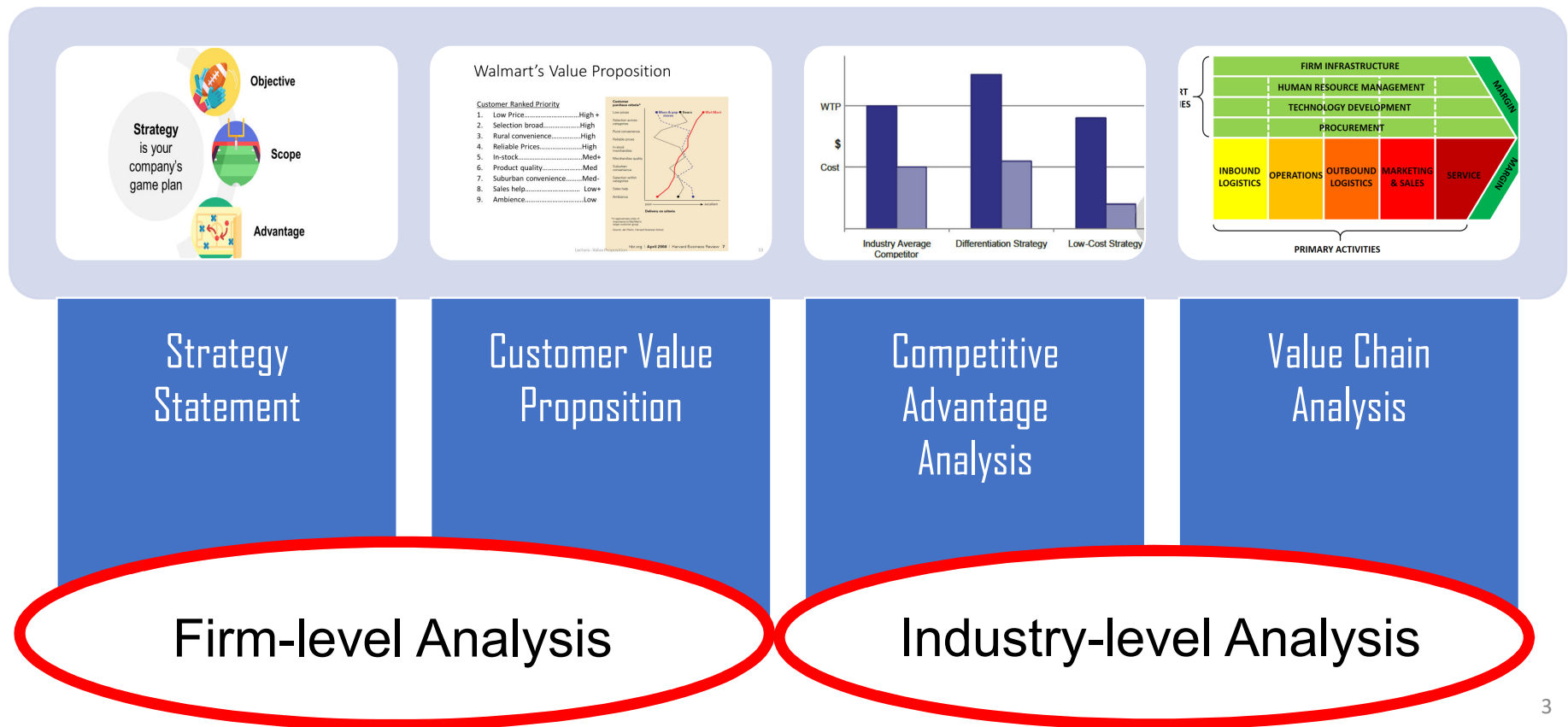
Value Chain Analysis

Profitability analysis

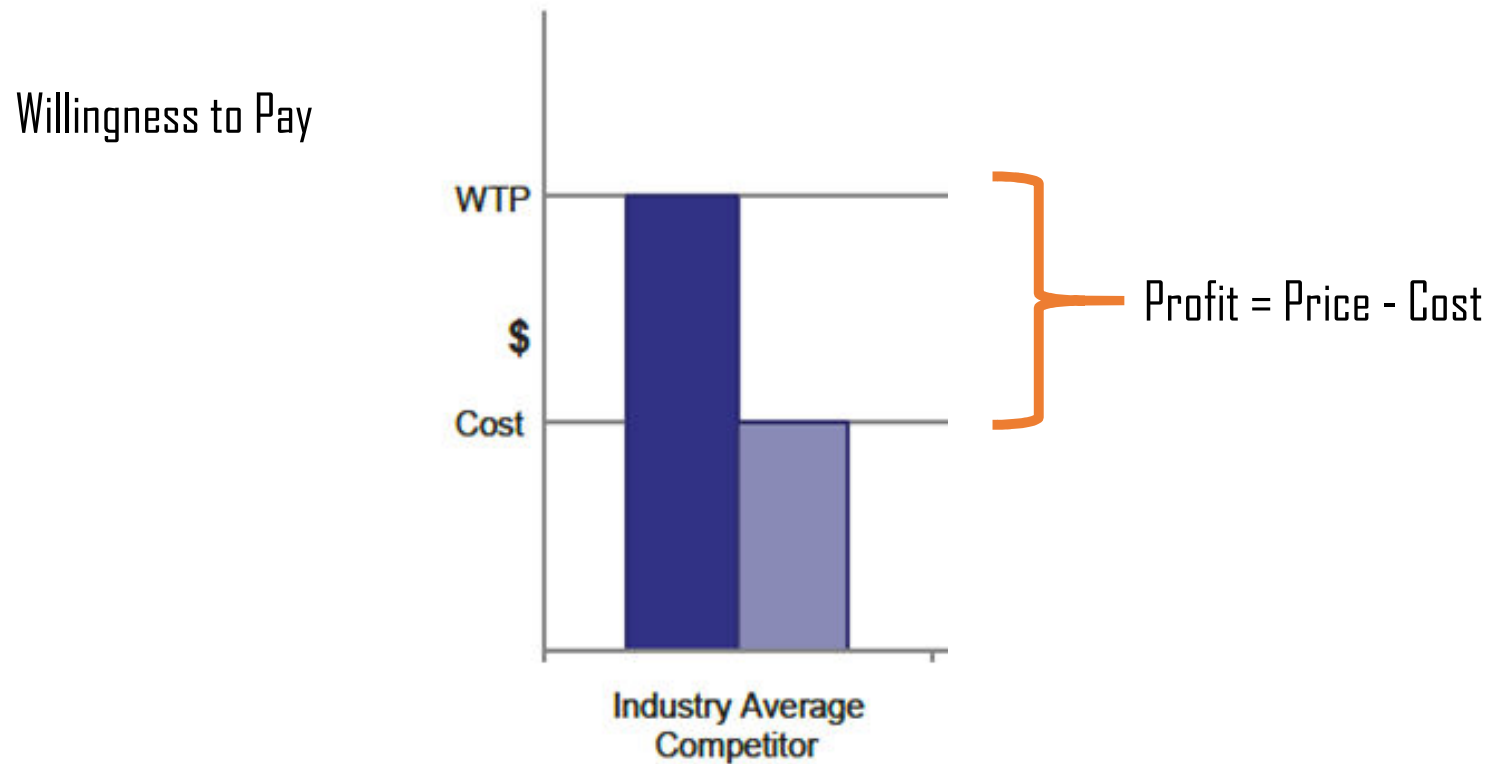
Brand judgment and consumer rating

We meet in executive co-founder teams to create our startups, come up with company names, choose target segments and cities after agreeing on the company strategy statement. Company Teams will submit Q1 decisions to enter the 3D carbon fiber bicycle industry.

Our Strategy Toolbox



Industry Average Profitability or “Grades”



Takeaways

- The HBR reading explains the key elements of Edward Jones' strategy statement.
- In our breakout sessions, we will practice writing strategy statements with profit objectives, scope (product/customer/geography) and competitive advantage.
- We cover Walmart's value proposition vs. Sears vs. mom-and-pop hardware stores , illustrated in a simple graph.
- In our breakout sessions we practice identifying the target customer priorities to create a value proposition for our target bike segments—choosing priority 1 and 2 between recreation, mountain or speed.

Harvard Business Review



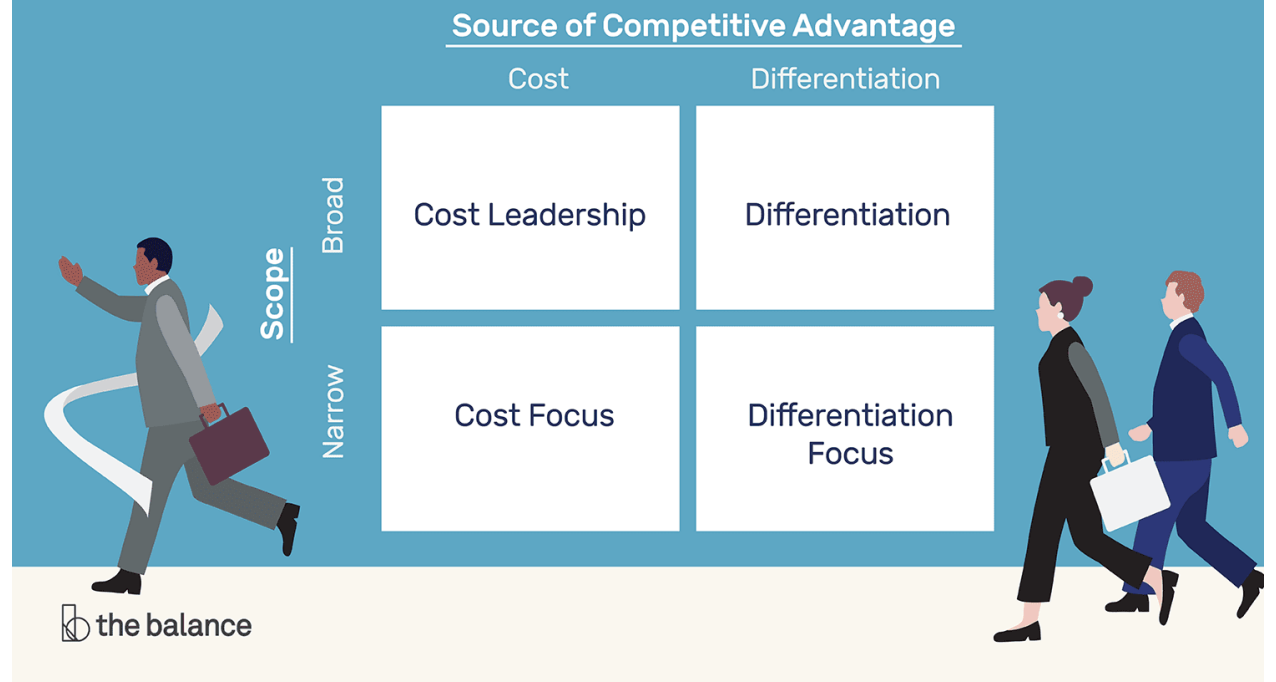
Can You Say What Your Strategy Is?

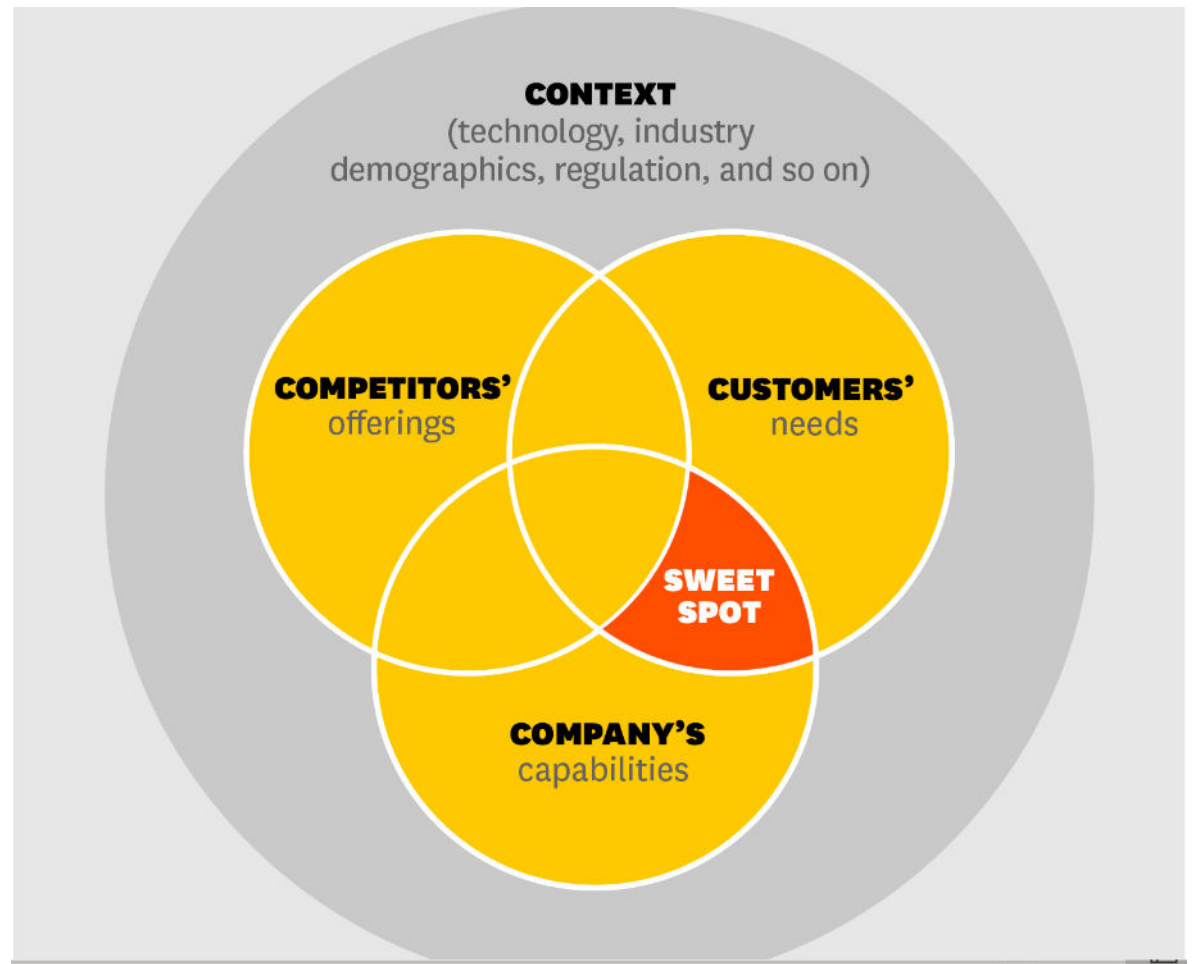
It's a dirty little secret: Most executives cannot articulate the objectives, scope, and advantage of their business in a simple statement. If they can't, neither can anyone else. By David A. Foray and Michael S. Rappaport

Competitive Advantage

1. Above Average Industry Profitability
2. Value Chain Analysis and Finding your company's "sweet spot"

How Companies Achieve a Competitive Advantage According to Michael Porter





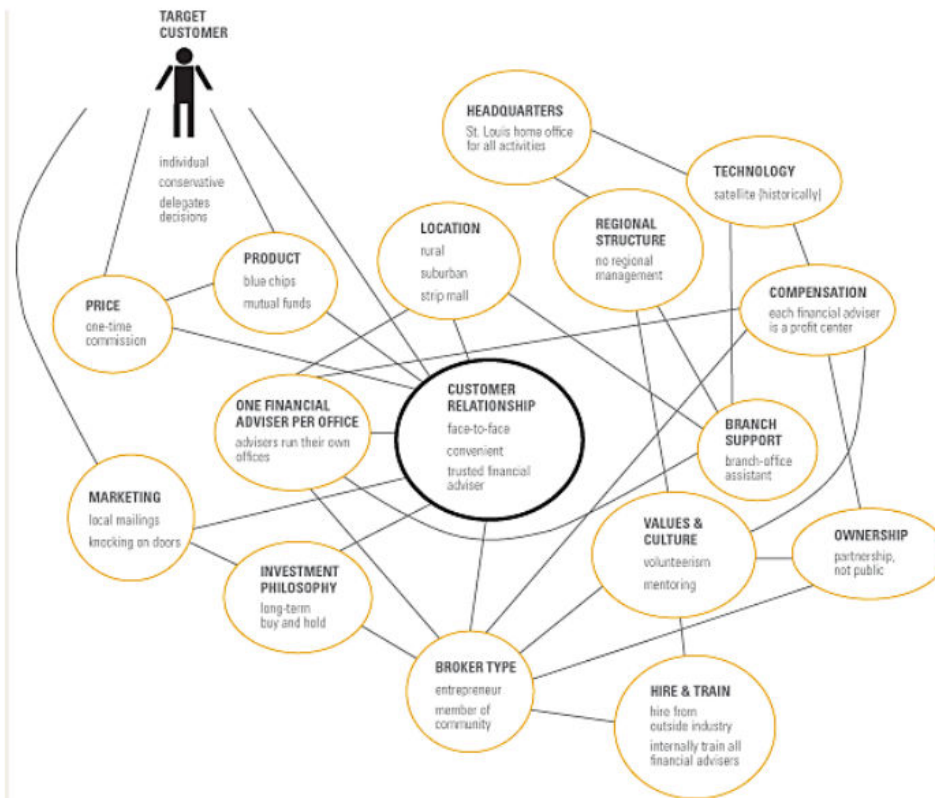


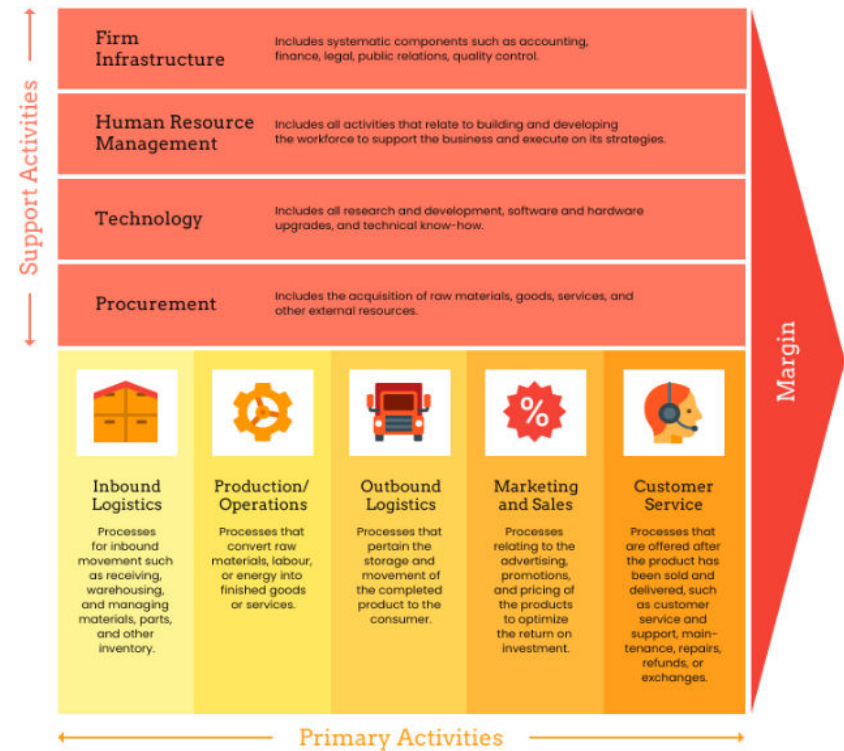
Diagram from Page 6 of Reading
HBR April 2008. Can you say
what your strategy is?

Porter's Value Chain Analysis

A value chain is a business model that details all the activities taken by a company to create a product, whether a good or service. The value chain was first developed by Michael Porter. Businesses can use value chain analysis (VCA) to break down the steps involved in the production process, from conception to distribution.

The value chain helps reveal all the steps that a business has to plan and account for in order to bring their intended product into the competitive market. VCAs can increase efficiency such that the value of the product is maximized while the cost is minimized.

Porter's model splits the actions into **primary activities** and **support activities**.

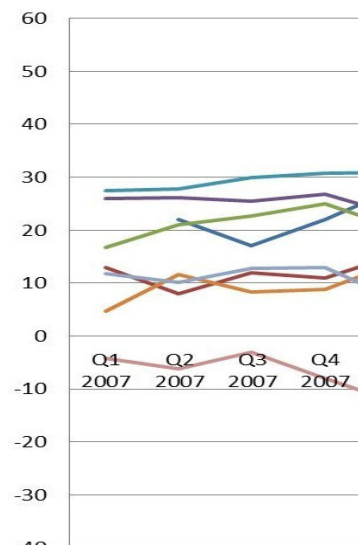


The Goal of Traditional Strategy is Competitive Advantage =



Above average-industry-profitability

Which Companies have Competitive Advantage in the 2007 Mobile Industry?



Company	Operating Margin/Profit %
RIM	30%
HTC	25%
Apple	25%
Nokia	22%
Samsung	12%
LG	11%
Sony	10%
Motorola	10%

https://www.phonearena.com/news/Four-years-of-disruption-cell-phone-industry-financials-2007-2011_id20153

2007 Mobile Industry Competitive Advantage

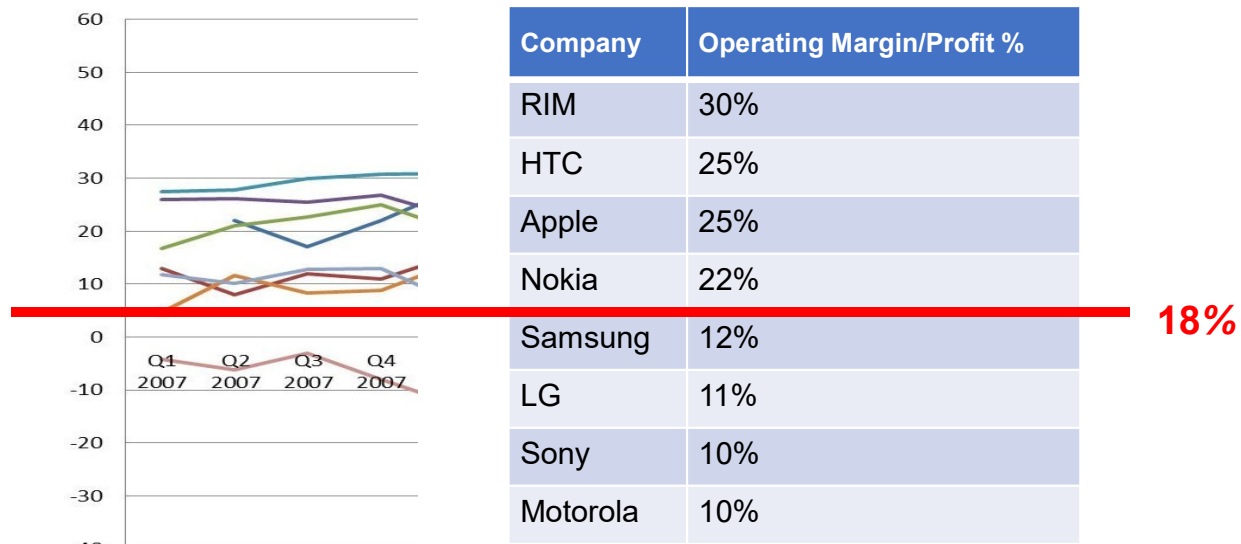
Competitive Advantage Analysis

- Industry average profitability =
- How many companies have a competitive advantage?
- Which companies are below average industry profitability?

Company	Operating Margin/Profit %
RIM	30%
HTC	25%
Apple	25%
Nokia	22%
Samsung	12%
LG	11%
Sony	10%
Motorola	10%

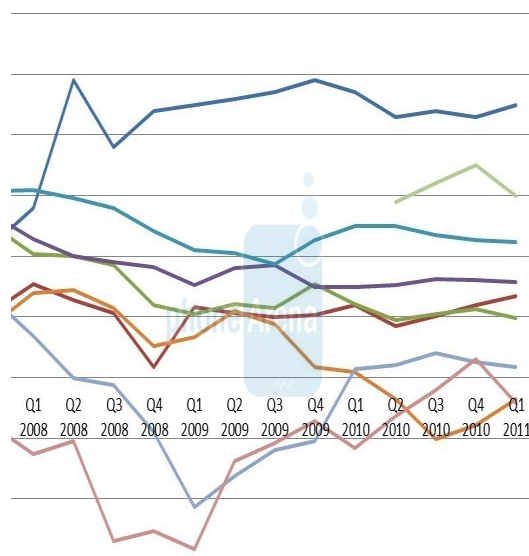
https://www.phonearena.com/news/Four-years-of-disruption-cell-phone-industry-financials-2007-2011_id20153

2007 Mobile Industry Competitive Advantage



https://www.phonearena.com/news/Four-years-of-disruption-cell-phone-industry-financials-2007-2011_id20153

Who was the exponential disruptor? 2008-2011 Mobile Industry Competitive Advantage



Company	Operating Margin/Profit %
iPhone	45%
iPad	30%
RIM	22%
HTC	15%
Samsung	12%
Nokia	10%
Sony	3%
LG	-5%
Motorola	-5%

14.1%

https://www.phonearena.com/news/Four-years-of-disruption-cell-phone-industry-financials-2007-2011_id20153

Applied to Bike Simulation Game

Goal: Achieve competitive advantage for your startup.

Industry: Your startup competes with 2 other class team startups in the Bike Simulation Game...that make similar 3D-printed carbon fiber bikes. We will have 4-5 different "virtual worlds" so that your startup will compete for market share and profitability with only 2 other startups in an "attractive" industry.

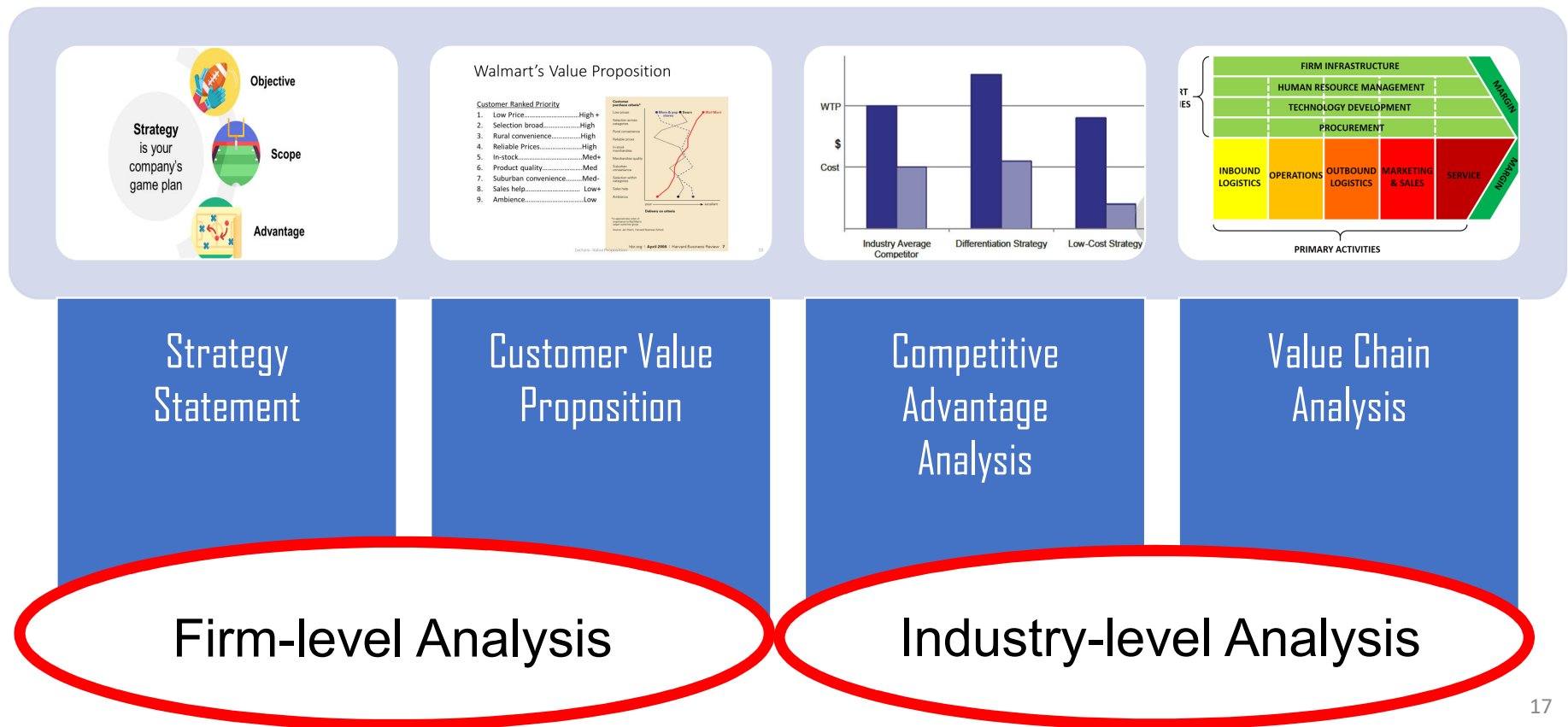
Market segments: There are three market segments to prioritize for your Q2 test market entry and Q3 to Q4 expansion. Each segment has different customer needs and wants, price willing to pay and 12 month market demand in 4 different cities—NYC, Amsterdam, Rio de Janeiro and Bangalore.

Measurement of Competitive Advantage and Industry Performance: low, high and average performers. Ex. Team A has 10% profit, Team B has 5% profit and Team C has 0 profit. The industry average profitability is $10+5+0 = 15/3 = 5\%$. Team A is a high performer, Team B is an average performer, Team C is a low performer in this industry.

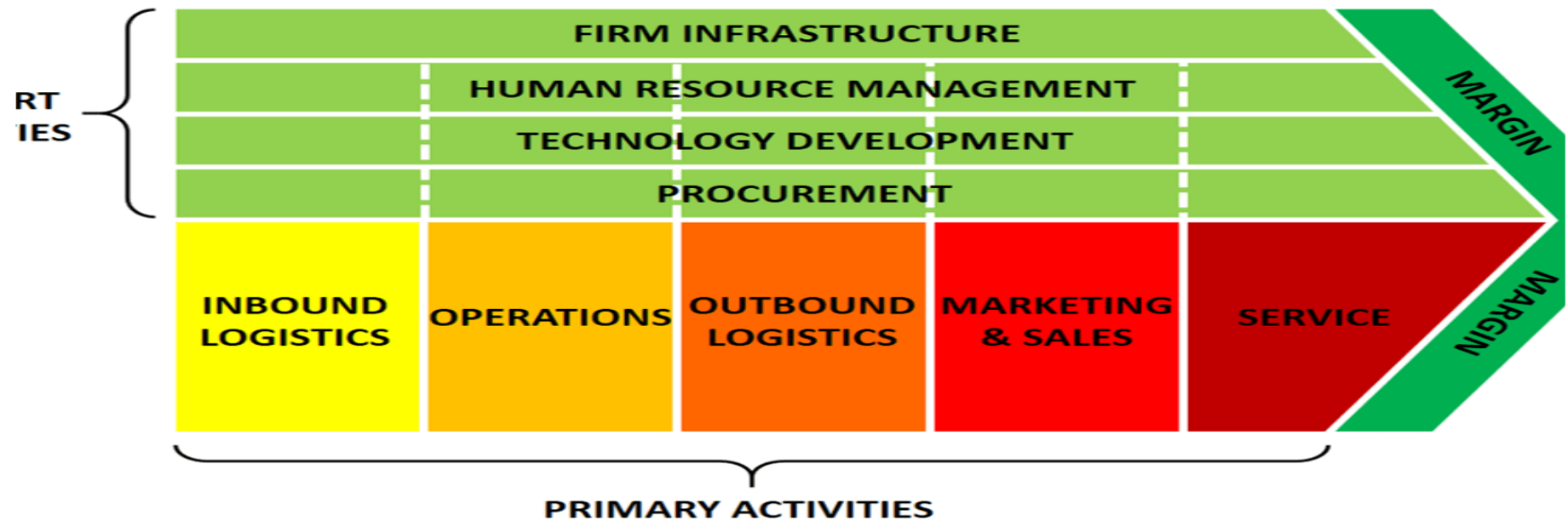
Attractive industry: Some industries have higher average profitability than others. Since this industry only has three startup companies in each virtual world/game, all teams can be profitable in four quarters of simulation game.

Above average industry profitability: A company has a competitive advantage in its industry when it has above-average industry profitability. Typically, the company has followed either a differentiation or low-cost strategy, sometimes a company can achieve a "dual-advantage" strategy and do both.

Our Strategy Toolbox



Competitive Advantage & Value Chain Analysis



The Value Chain is a powerful visual tool for showing the key activities that create competitive advantage...the distinctive set of activities that provide differentiation for premium pricing or economies for lower cost.

Apple Inc. (AAPL)

Profitability measure = Operating margin =
Operating Income/Total Net Sales (Revenues)

Apple Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except number of shares which are reflected in thousands and per share amounts)

	Years ended		
	September 26, 2020	September 28, 2019	September 29, 2018
Net sales:			
Products	\$ 220,747	\$ 213,883	\$ 225,847
Services	53,768	46,291	39,740
Total net sales	274,515	260,174	265,595
Cost of sales:			
Products	151,286	144,996	148,164
Services	18,273	16,786	15,592
Total cost of sales	169,559	161,782	163,756
Gross margin	104,956	98,392	101,839
Operating expenses:			
Research and development	18,752	16,217	14,236
Selling, general and administrative	19,916	18,245	16,705
Total operating expenses	38,668	34,462	30,941
Operating income	66,288	63,930	70,898
Other income/(expense), net	803	1,807	2,005
Income before provision for income taxes	67,091	65,737	72,903
Provision for income taxes	9,680	10,481	13,372
Net income	\$ 57,411	\$ 55,256	\$ 59,531
Earnings per share:			
Basic	\$ 3.31	\$ 2.99	\$ 3.00
Diluted	\$ 3.28	\$ 2.97	\$ 2.98
Shares used in computing earnings per share:			
Basic	17,352,119	18,471,336	19,821,510
Diluted	17,528,214	18,595,651	20,000,435

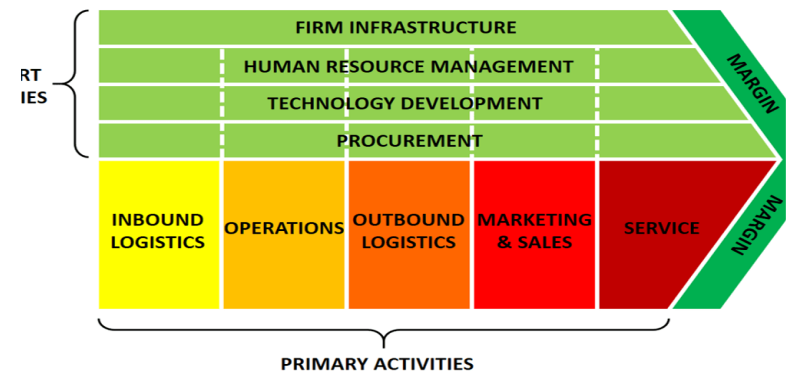
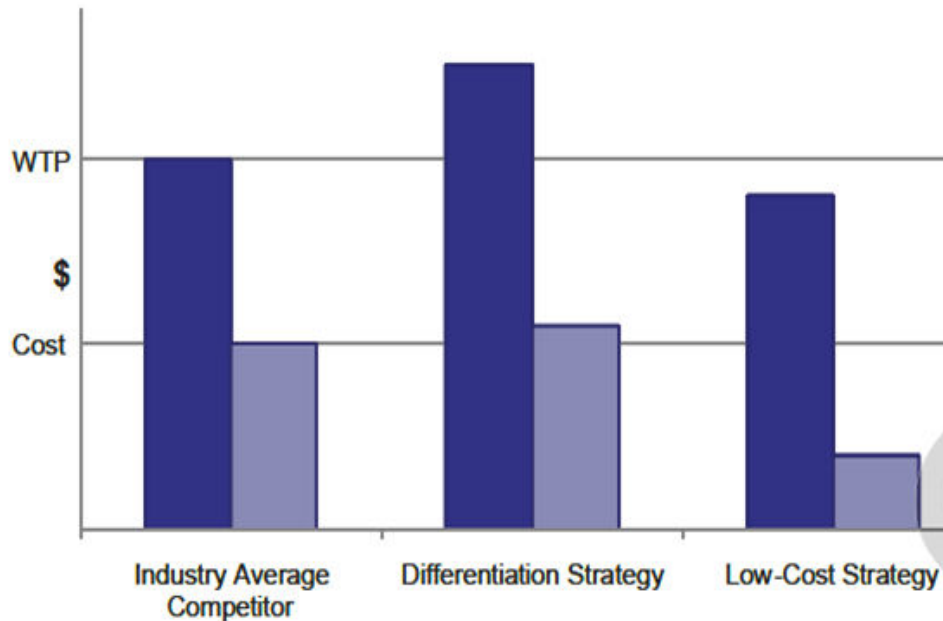
- 2020 Operating margin = 24% (\$66/\$275).
- 2019 Operating margin = 24.6% (\$64/\$260).
- 2018 Operating margin = 26.7% (\$71/\$266).

<https://www.investopedia.com/ask/answers/041415/what-considered-healthy-operating-profit-margin.asp>

Porter's Value Chain Analysis Model

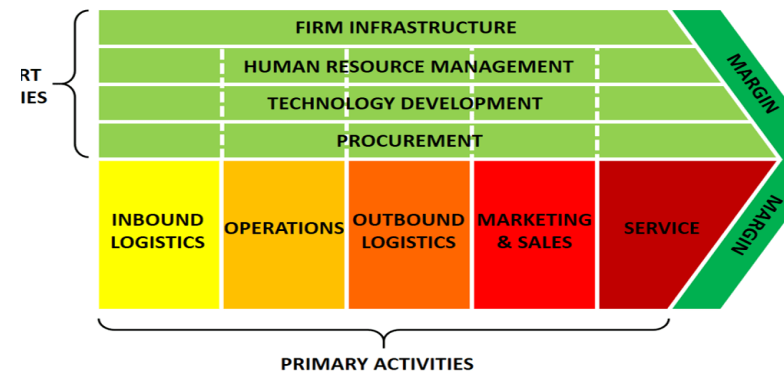
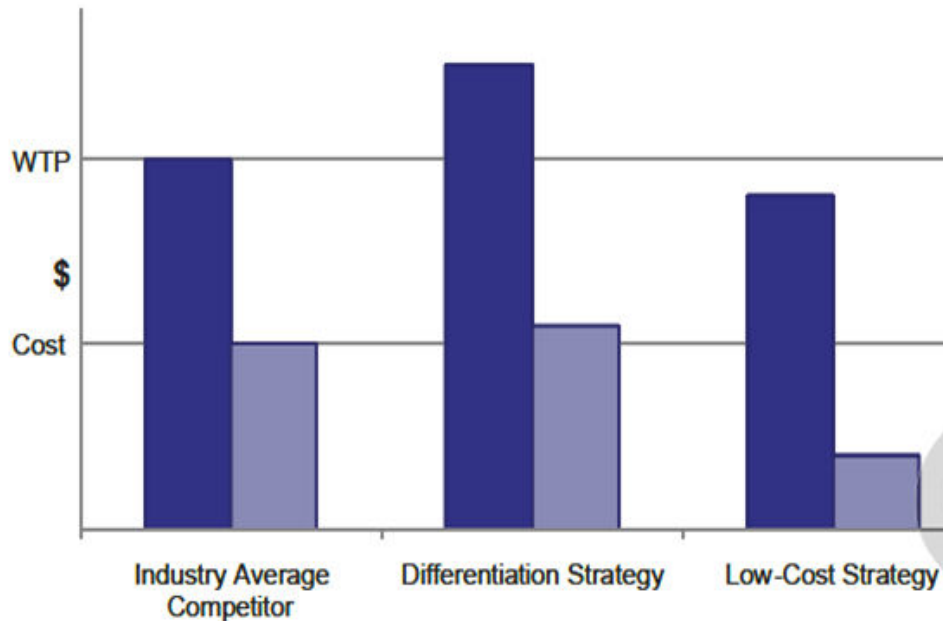


Apple: Differentiation or Low-Cost Strategy?



Differentiation- Why pay Price Premium?	Cost Drivers—How to lower Costs?

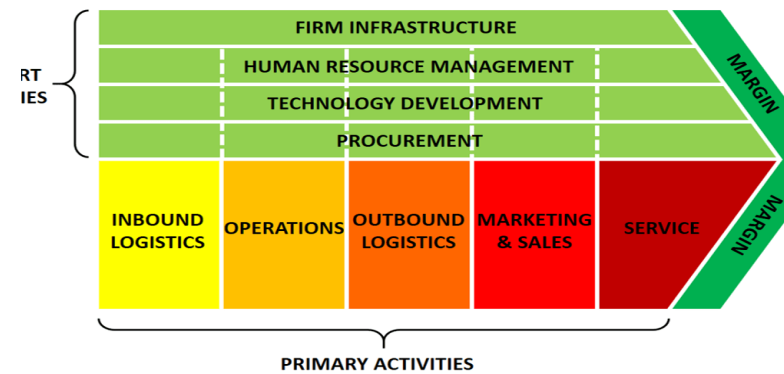
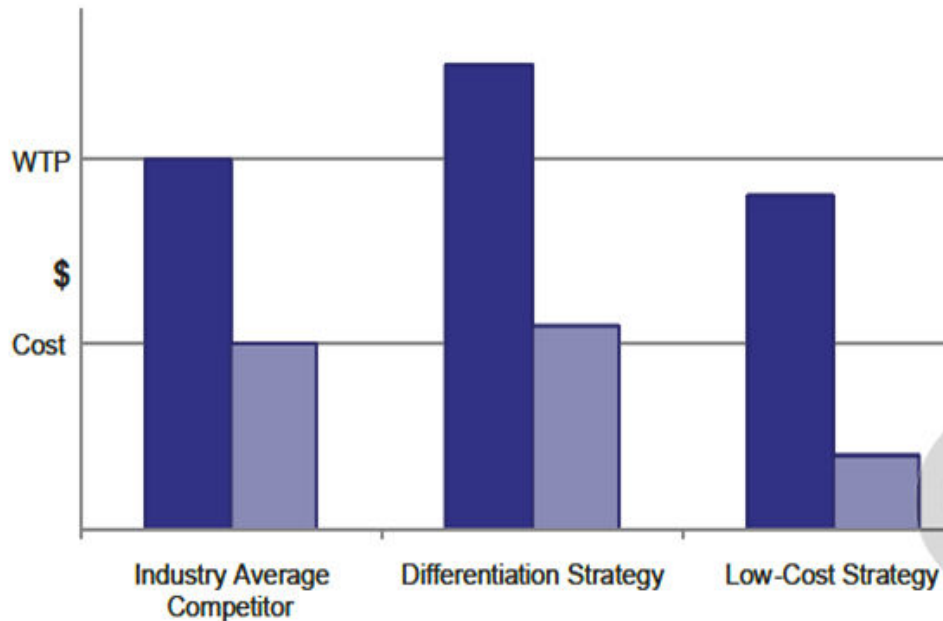
Apple: Differentiation or Low-Cost Strategy?



Major Price Drivers: Brand Equity
Design/User Experience
Services
Software Apps
Ecosystem
Technology

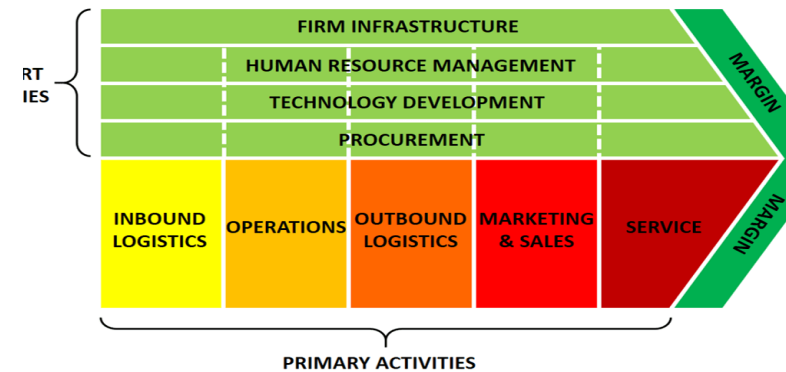
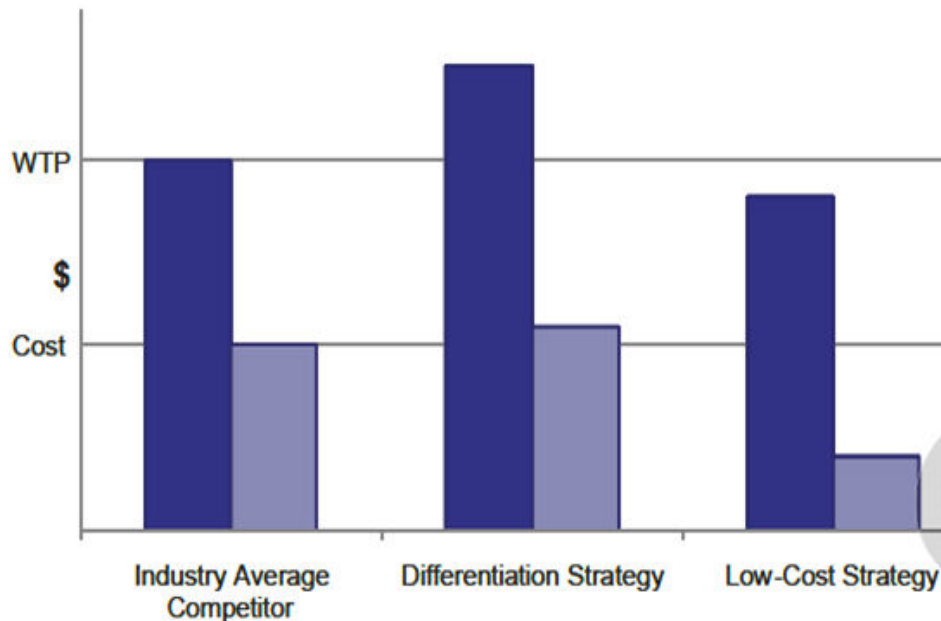
Major Cost Drivers: Components
Hardware
Retail Stores

Walmart: Differentiation or Low-Cost Strategy?



Differentiation- Why pay Price Premium?	Cost Drivers—How to lower Costs?

Walmart: Differentiation or Low-Cost Strategy?

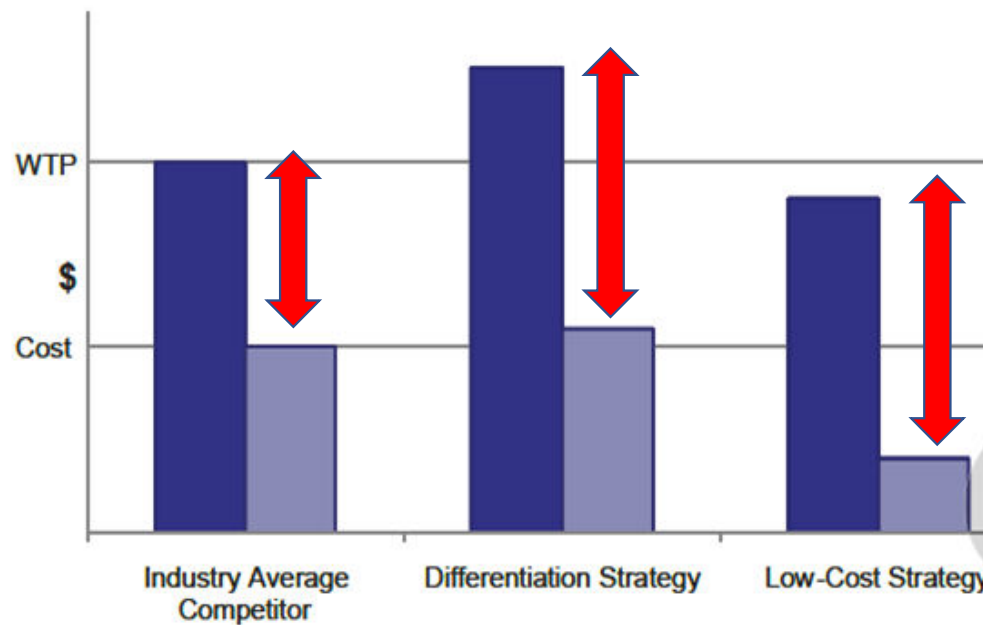


Major Price Drivers: Everyday low prices
 Major Cost Drivers: Economies of scale
 Supply Chain Management & Technology
 Long term vendor relations
 Global expansion speed
 Monopoly in rural areas with population growth

<https://managemententhusiast.com/walmarts-business-strategy-and-competitive-advantages/#:~:text=are%20discussed%20below%3A-,Selling%20Low%20Priced%20Goods,that%20they%20can%20live%20better%E2%80%9D.>

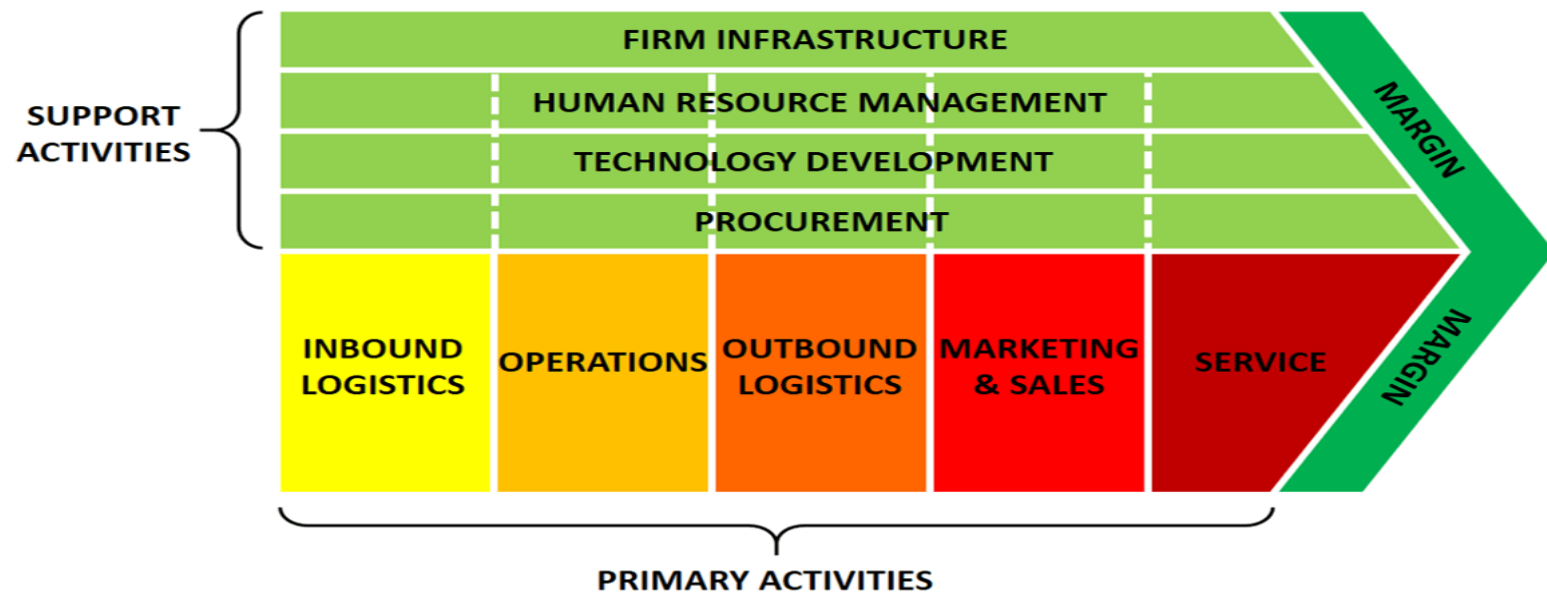
Porter's Competitive Advantage =

Company with above average industry profitability



Value Chain Analysis

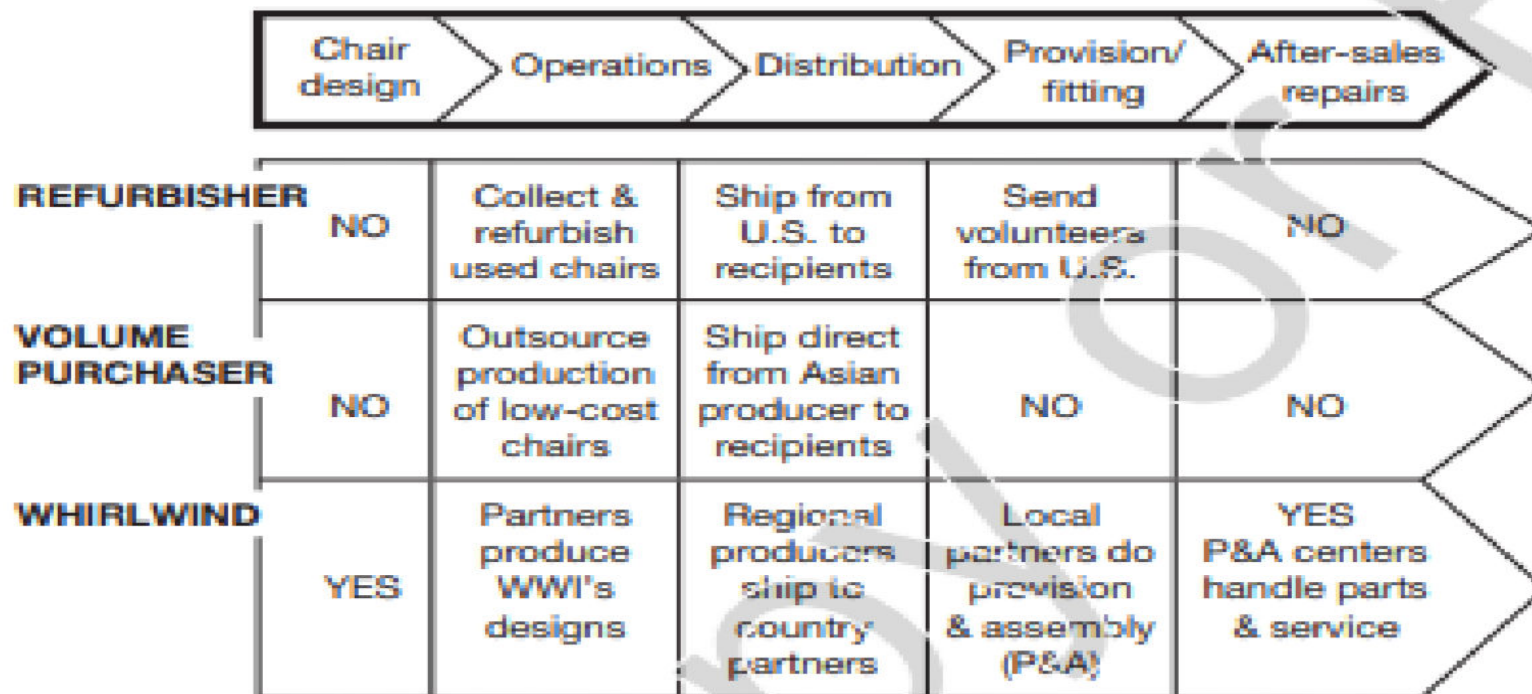
How do you implement a differentiation or low-cost strategy? By analyzing and developing a unique combination of activities in the value chain



Case Example from reading...

FIGURE 3-5

Donated wheelchairs: Three competing value chains



Value Chain Analysis

1. Show the key activities that add value to a product in this industry by filling out the **industry value chain** template.
2. Include the **typical activities that are performed in the value chain** by many of the industry's competitors since these highlight the dominant way companies have competed in the industry.
3. Find the **price drivers**, those activities that have a big impact on differentiation and the willingness of customers to pay a premium price.
4. Find the **cost drivers**, those activities that have a big impact on costs.
5. Develop a **unique combination of activities and value proposition** to achieve competitive advantage through differentiation or by lowering your cost basis.

Example: Dragon Bicycles



What Determines Road Bike Price?

From blog post on Dec 20, 2019

The biggest factors that should determine road bike prices are the frame material and components used to create them. Notice we said "should." In truth, a bike's retail price is driven by seven key factors:

Factor	Percentage of Total Price
Frame material	15%
Components (22-25 gears, shifters, brakes)	20%
Crafting (frame building & bicycle assembling)	20%
Shipping (from factory to builder, assembler, retailer)	5%
Marketing (sponsorship & advertisement)	10%
Overhead (design, HR, sales, etc.)	20%
Retail store costs/local distribution	10%

Example: Dragon Bicycles



Step 1: Road bike industry value chain

Step 2: Compare to well-known industry competitor and brandname



Trek						
Dragon						

Example: Dragon Bicycles



Step 3: What are **price drivers**?

Step 4: What are **cost drivers**?

Factor	Percentage of Total Value
Frame material	15%
Components (22-25 gears, shifters, brakes)	20%
Crafting (frame building & bicycle assembling)	20%
Shipping (from factory to builder, assembler, retailer)	5%
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Overhead (design, HR, sales, etc.)	20%
Retail store costs/local distribution	10%

Example: Dragon Bicycles

Step 5: Develop a unique combination of activities and value props



Trek						
Dragon						



Online, custom, high end road bike sold and shipped directly to customer

Example: Dragon Bicycles

Step 5: Develop a unique combination of activities and value props



Trek						
Dragon	Computerized Personal Fitting				Direct to Consumer Pre-assembled Cost Savings	



Online, custom, high end road bike sold and shipped directly to customer at a low-end price

Example: Dragon Bicycles



Dragon Bicycles

\$1499



Trek Bikes

\$2499.99

Example: Dragon Bicycles



Dragon Bicycles

\$1499-600 Cost = \$899 Profit or

60% Profit Margin



Trek Bikes

\$2499.99-1000 Cost = 1499.99 Profit or

60% Profit Margin= **30% Trek** + 30% Retailer

Example: Your3DBike Startup

Step 5: Develop a unique combination of activities and value props

What are your cost drivers? (In Yellow)

What are your price drivers? (In Green)



Trek						
Your3DBike						

Takeaways

- Value Chain Analysis is used to support competitive advantage and the implementation of a differentiation or low-cost generic strategy.
- The five key steps to value chain analysis include diagramming the dominant industry value chain, identifying price and cost drivers and choosing a unique combination of value chain activities.

Intro to the Strategy Simulation Game

Team Registration and Q1 decisions

Executive Team Roles and Responsibilities

Top 20 Reasons Startups Fail

Based on an Analysis of 101 Startups Post-Mortems



Key Executive Team Roles and Responsibilities

- CEO-visionary, leader, jack of all trades, tie-breaker
- CTO-innovator, IT, techie
- COO-operations, organizer
- CMO-marketer
- CFO-money manager
- CSO-sales, rainmaker

Breakout Sessions

1. Discuss what executive roles you would like to be responsible for:
CEO, COO, CTO, CMO, CFO, CSO and why
1. Agree on roles and responsibilities
2. Discuss and review individual draft strategy statements.
3. Choose target segment priority #1 and #2 and discuss
 - a. what the key customer needs are for each target segment
 - b. what the market demand is in different geographic areas for those segments
 - c. what the production and profit margin would be if you sold 60 units per salesperson and had 5 sales staff in one selected city at the average willingness to pay price and cost per unit. What about two cities? What about 2 brands? What about 2 segments?
 - d. How does price competition change your pricing, forecast and test market strategy?
4. Decide on a name for your company consistent with your target segment. Ex. SpeedyBikes for Speed Bike segment, or ComfortRide for Recreation Bike segment.

1. Review and agree on strategy statement

Virtual Business World

You will start a new firm, which will enter the carbon fiber bicycles industry. The firm will be introducing a new line of bicycles into four international markets.

Your goal is to build a profitable company.

Your company will be introducing the new line of carbon fiber bicycles into selected markets in North America (NORAM), Latin America (LATAM), Europe, the Middle East and Africa (Europe-MEA), and Asia Pacific (APAC) regions.



2. Choose 2 target segments—Rec, Mountain or Speed to analyze. Are there any synergies?

Simulation Demo: Business Primer - Bikes

Target Markets

There are three market segments to serve in the bicycle market. Each segment has different needs and requires a different marketing strategy to appeal to it.

Market Segments Among Bicycle Buyers

The bicycle market can be divided into three major market segments - Recreation, Mountain, and Speed. Each segment has its own set of needs and wants. Each one also has a price point where they are willing to consider a purchase, should you be able to satisfy their needs and wants.

These three segments are portrayed in the accompanying graph. The circles are positioned to indicate the price and performance requirements of each segment. The size of the segment is portrayed by the size of the circle. Each segment has different needs and wants and requires a different market strategy to appeal to it.



**Find the
objective,
scope &
advantage**

Edward Jones strategy statement:

Grow to 17k financial advisors by 2012, by offering trusted and convenient face-to-face financial advice to conservative individual investors who delegate their financial decisions, through a national network of one-financial-advisor offices.

3. Choose 2 cities to calculate your profit margin as an exercise.

Quarter 1 ▶ LECTURE WORKSPACE

Menu Search

Welcome to Marketplace

Virtual Business World

Overview of Activities

Getting Started




Company Name ✎


Marketing Research

Customer Needs

Market Potential

12-Month Potential Demand

	 Recreation ↕	 Mountain ▼	 Speed ↕
New York City	6,423	5,461	5,319
Rio de Janeiro	5,474	4,146	2,534
Amsterdam	7,512	3,771	4,856
Bangalore	6,486	3,736	3,106



← Back to My Games

SAMPLE GAME - BPB

Game Overview

▼ Detailed Reports

Results

Coaching Assistant

Results Graphs




Detailed Results

Price Willing To Pay - Google Chrome

https://play.marketplace-simulation.com/mpl/web7/ae

Price Willing To Pay

Price Willing to Pay



Recreation

Mountain

Speed

New York City	1,078	1,304	1,520
Rio de Janeiro	1,081	1,262	1,492
Amsterdam	1,080	1,338	1,470
Bangalore	1,072	1,303	1,458

Cost of goods sold is calculated in the production simulation...

The screenshot displays the 'Marketplace' microsimulations interface. The top navigation bar includes the 'Marketplace' logo, 'microsimulations' and 'trophy room' links, and a 'help' button. The left sidebar shows a menu with 'Quarter 2' selected, and various simulation modules like 'Go to Test Market', 'Accounting for Last Quarter', 'Goals and Strategy', 'Marketing', 'Sales Channel', 'Human Resources', 'Manufacturing', 'Demand Projection', 'Brand Production', 'Operating Capacity', 'Overtime', 'Production Simulation' (highlighted), 'Fixed Capacity', 'Pro Forma Accounting', 'Finance', 'Summary of Decisions', 'Final Check', and 'Submit'. The main workspace is titled 'Production Simulation' and contains two tables.

Projected demand per quarter

Brand	Produce	Previous Demand	Projected Demand	Average Cost	Selling Price
Bike for Fun	<input checked="" type="checkbox"/>	0	250	421	850
Challenger	<input checked="" type="checkbox"/>	0	242	585	1,100
Companion	<input checked="" type="checkbox"/>	0	250	477	950

Capacity and Overtime

	Units/Day	Units/Quarter
Fixed capacity	16	1,040
Operating capacity	12	780
Operating capacity needed for demand projection	11.42	742

Maximum hours of overtime per day: 0

Number of Units

1. Company name
2. Executive team roles and responsibilities
3. Target priority segments for test market
4. Strategy statement with target segments, at least two brands and test market cities/geographies based on demand analysis
5. Test market prices and/or rebates per bike brand offered
6. Advertising and marketing spend appropriate to build demand in new cities where sales offices are opened
7. Demand forecast based on city sales office and productivity of sales and support people hired in each office
8. Cost in materials + production to build your product. Ensure enough production capacity and 3D printers to meet your forecasted demand. Allow 10% excess. Be sure to allow overtime in case you get more demand than forecast. You do not want to stock-out.
9. Estimated profit per bicycle sold: (Price-cost=profit)

Key tips for the Simulation Game

1. You must decide on the price and/or rebate based on your differentiation or low-cost strategy. Do not assume that you can use the average selling price since there are 2 other competitive companies in the industry.

Price Willing to Pay

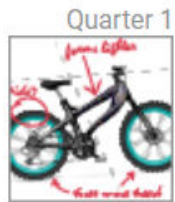
		
Recreation	Mountain	Speed
1,050	1,295	1,500

2. Your market share in a given target city will depend on the competition, pricing, brand rating, perceived price/quality, advertising, number of sales people and their compensation.
3. It's recommended to target at least 2 segments, 2 brands and more than one city for your test market.
4. The simulation game rewards first-movers and aggressive growth strategies.
5. Find the tab of the Student Help File. All sorts of tips about the game simulation model such as productivity of sales people in Q2 test market and the number of sales support you need for your sales teams are written there.

Simulation Game Balanced Scorecard & Ranking

Industry Results for Quarter: 3										
Company Name	Total Performance	Financial Performance	Market Performance	Marketing Effectiveness	Investment in Future	Wealth	Human Resource Management	Asset Management	Manufacturing Productivity	Financial Risk
Nimbl Bikes	67.481	63.192	0.425	0.785	3.968	1.029	0.686	1.280	0.893	1.000
Celeritas Cycles	44.303	45.574	0.380	0.825	5.217	0.885	0.698	1.141	0.843	1.000
Alpine Bikes	49.986	38.452	0.375	0.865	6.526	0.754	0.760	1.099	0.975	1.000

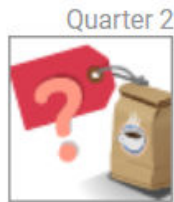
Highly recommended Micro-simulations available for free in the simulation game.



Product Design



Production Scheduling



Pricing I. - The Fundamentals



Fundamentals of Accounting



Profitability Analysis

Some useful help topics and videos

Please use the game **Help tab** in each decision period.

Play each target market segment as a separate world wide “competition”.

Stockouts in the factory <https://www.youtube.com/watch?v=AZaCKOkx3Lc>

Pricing too high

<https://www.youtube.com/watch?v=t-Td9Y2sfbs>

Sample Game—Student View

Sample game

Overview of Marketplace student software. The sample game allows you to browse through several periods (quarters) of sample decisions. The sample game will let you make changes in each decision period, but your changes will be discarded once you switch to another period.

Your team will need to craft a strategy statement. You might also discuss...

Market size

- ☐ focus on smaller, high margin segments
- ☒ focus on large, highly competitive segments
- ☐ focus on fringe segments that are out of the mainstream
- ☐ write your own
- ☐ write your own

Geographic market

- ☐ focus on smaller, less costly geographic markets
- ☐ focus on the largest geographic markets, even if they are more expensive
- ☒ focus on geographic markets which are in middle of the cost/size continuum
- ☒ focus on geographic markets which minimize distribution costs
- ☐ write your own
- ☐ write your own

Do you know
what these
strategies
are?

Competitive posture

- ☒ build a market position and defend it
- ☒ take the lead and keep it
- ☐ be first to market
- ☐ be the leader in all things
- ☐ be a fast follower, imitate smart competitive moves
- ☐ attack the competition on their home ground
- ☐ sidestep the competition whenever possible
- ☐ expend resources which distract the competition
- ☐ ignore the competition
- ☐ write your own
- ☐ write your own

Distinctive competencies

- ☐ be the low price provider in the market
- ☒ be the market share leader
- ☐ be the profit margin leader
- ☒ be the technology leader
- ☒ be the high service provider in the market
- ☐ write your own
- ☐ write your own

You will choose cities for your sales offices, based on target market demand.

Quarter 1

Menu Search

Welcome to Marketplace

Virtual Business World

Overview of Activities

Getting Started

Company Name

Marketing Research


Customer Needs

LECTURE

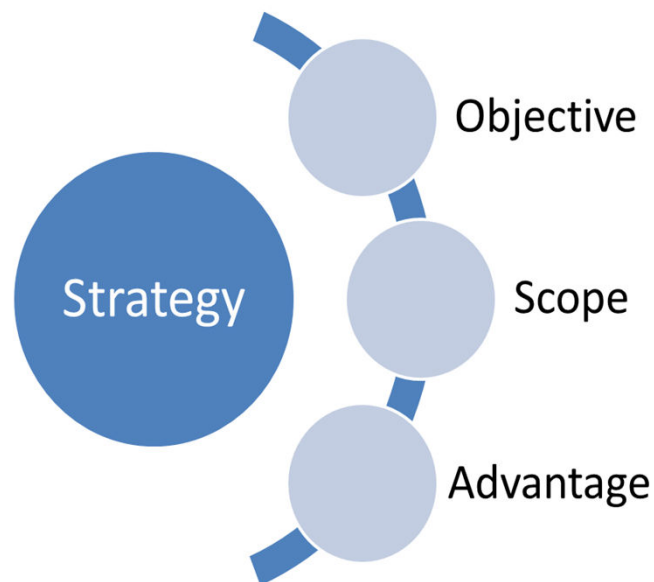
WORKSPACE

Market Potential

12-Month Potential Demand

	 Recreation	 Mountain	 Speed
New York City	6,423	5,461	5,319
Rio de Janeiro	5,474	4,146	2,534
Amsterdam	7,512	3,771	4,856
Bangalore	6,486	3,736	3,106

Your team will submit a strategy/mission statement & market size focus...



A screenshot of a form for submitting strategy and mission statement information.

Target Segments

Segment	Priority
Recreation	3rd Priority
Mountain	2nd Priority
Speed	1st Priority

Mission statement

To provide the most reliable products to our target audience as efficiently as possible.

To keep costs low and profits high.

To become the market share leader in our industry

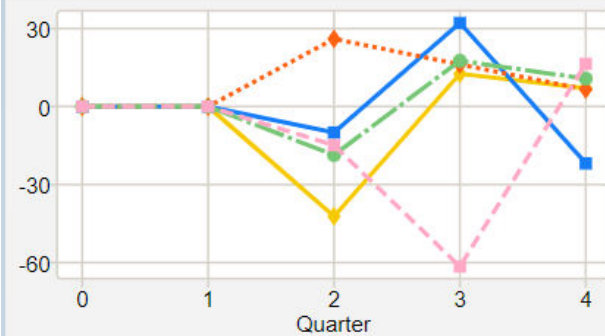
Market size

- ☐ focus on smaller, high margin segments
- ☐ focus on large, highly competitive segments
- ☐ focus on fringe segments that are out of the mainstream
- ☐ write your own
- ☐ write your own

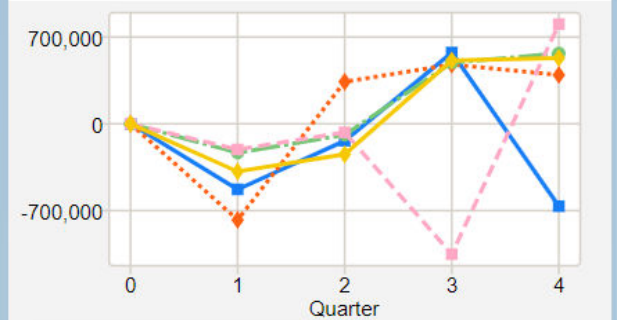
Forget the
real world,
listen to the
data...



Net Profit Margin



Net Income



Key tips for the Simulation Game

1. You must decide on the price and/or rebate based on your differentiation or low-cost strategy. Do not assume that you can use the average selling price since there are 2 other competitive companies in the industry.

Price Willing to Pay

		
Recreation	Mountain	Speed
1,050	1,295	1,500

2. Your market share in a given target city will depend on the competition, pricing, brand rating, perceived price/quality, advertising, number of sales people and their compensation.
3. It's recommended to target at least 2 segments, 2 brands and more than one city for your test market.
4. The simulation game rewards first-movers and aggressive growth strategies.

Simulation Game Balanced Scorecard & Ranking

Industry Results for Quarter: 3										
Company Name	Total Performance	Financial Performance	Market Performance	Marketing Effectiveness	Investment in Future	Wealth	Human Resource Management	Asset Management	Manufacturing Productivity	Financial Risk
Nimbl Bikes	67.481	63.192	0.425	0.785	3.968	1.029	0.686	1.280	0.893	1.000
Celeritas Cycles	44.303	45.574	0.380	0.825	5.217	0.885	0.698	1.141	0.843	1.000
Alpine Bikes	49.986	38.452	0.375	0.865	6.526	0.754	0.760	1.099	0.975	1.000

Some useful help topics and videos

Please use the game **Help tab** in each decision period.

Play each target market segment as a separate world wide “competition”.

Stockouts in the factory <https://www.youtube.com/watch?v=AZaCKOkx3Lc>

Pricing too high

<https://www.youtube.com/watch?v=t-Td9Y2sfbs>

Company Executive Team Final Presentation Report

This final Board Presentation is the all-important End-of-Year Operational Review that summarizes the highlights and lowlights of the first year and four quarter results of your startup company.

Your presentation report will focus on the following:

Cover/Title page: Company name and headshots of your executive team with titles. What are the roles and responsibilities of the team? How has that worked out? What should you do differently going forward?

Section 1. Strategy Positioning, Market Segments, Product-Brand-Geographic Scope. How has the market and industry changed since your company started? If so, did it affect you negatively or positively?

Section 2. Quarterly and Overall Performance—Revenues, Profits, Market Share, Geographic Scope, Balanced ScoreCard, other achievements

Section 3. Competitive dynamics. How has your position in the industry (competitive advantage) and the market (user feedback and share) changed? Did you do what you said you would do in your strategy statement? Did you need to adjust your strategy or your implementation? What were your strengths and weaknesses compared to your competitors?

Section 4. Unconstrained by the simulation, what high tech or value innovations would you put in place?

Section 5. Lessons Learned

<p>4°pts¶ Very Effective/Strong¶ Excellent review and assessment of strategy and performance. The team clearly understood how its decisions affected performance. Strategy and tactics were well integrated across functions. It was clear how the team purposely attacked opportunities and dealt with problems. The team was forthright in reviewing data that reflected both good and bad decisions and the degree to which goals and promises were achieved. The team clearly justified the deviations to its goals, strategy, and tactical plans.□</p>	<p>3°pts¶ Effective/Very Good¶ The team properly assessed how well its strategy and tactics were conceived and/or executed, using data to support its arguments. It was also candid in reporting how well it met its goals and promises. The team justified most of the deviations to goals, strategy, and tactical plans, but not all of them. Potentially could have done more competitive benchmarking.□</p>	<p>2°pts¶ Needs Improvement¶ The team did not dig very deeply into why things went well or poorly. While there was some thoughtful analysis, there was not a clear understanding as to how the team's strategy and tactics affected its performance. The team was not entirely candid in reviewing events or taking responsibility for its performance. Data that might have shown weak decisions was absent.□</p>	<p>1°pts¶ Weak¶ Candid assessment of strategy and tactics was lacking. Very little insight was offered as to why things went well or poorly. The team did not take responsibility for weak performance in any area□</p>
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