Exhibit 1

Chinese and Indian firms are the worst managed on average

Average score on the 18 management practice questions (1=worst practice, 5=best practice) by country
Exhibit 2

Chinese and Indian firms are better managed than about 15% of German firms

Average score on the 18 management practice questions (1=worst practice, 5=best practice) by country

Average management score in China and India
Foreign multinationals are well managed in China and India, but foreign joint-ventures are not

Average score on the 18 management practice questions (1=worst practice, 5=best practice) by country
Exhibit 4

Chinese and India managers were more over-confident than European, US and Japanese managers

Average score on 18 management practice questions and self-assessed management score, by country

Note: Self-assessed management is the response to the question “Excluding yourself, how well managed is your firm on a scale of 1 to 10, where 1 is worst practices, 10 is best practice and 5 is average”. Scores are divided by 2 to put them on the same scale as our management scores.
Asian firms are much more centralized (hierarchical) than Northern European and US firms

Average degree of plant manager autonomy over hiring, investment, sales & new products, by country