

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

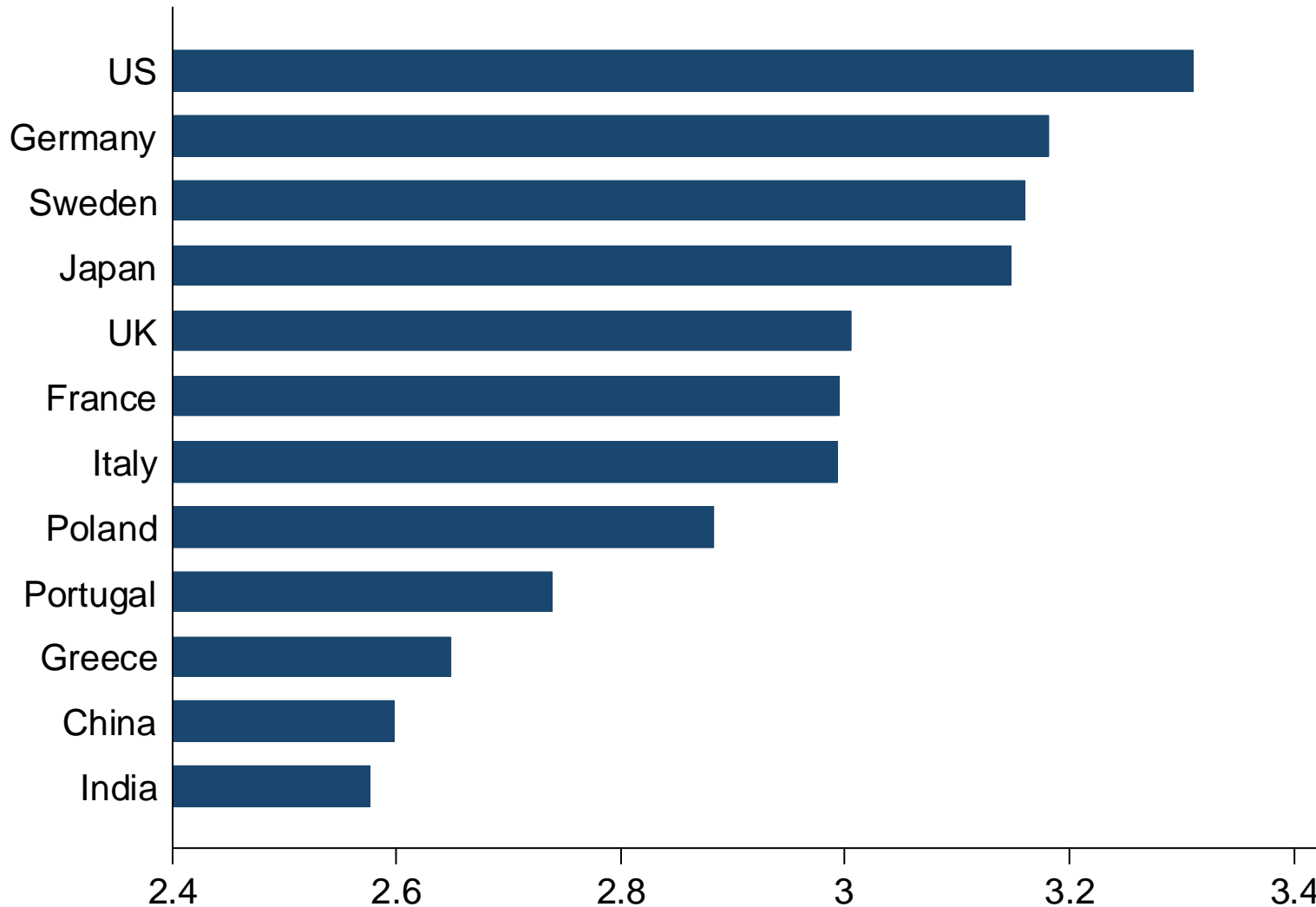


Exhibit 2

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

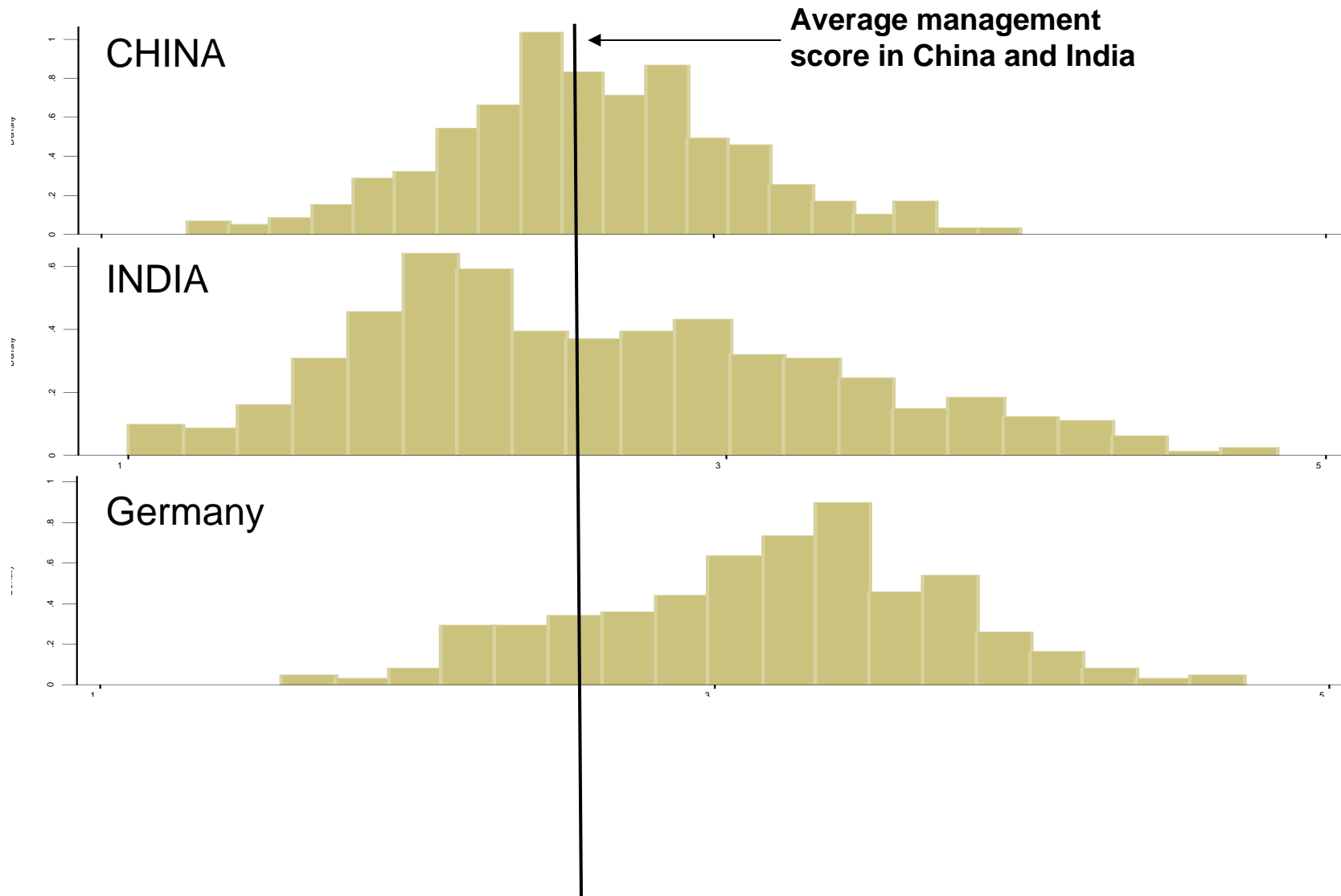


Exhibit 3

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

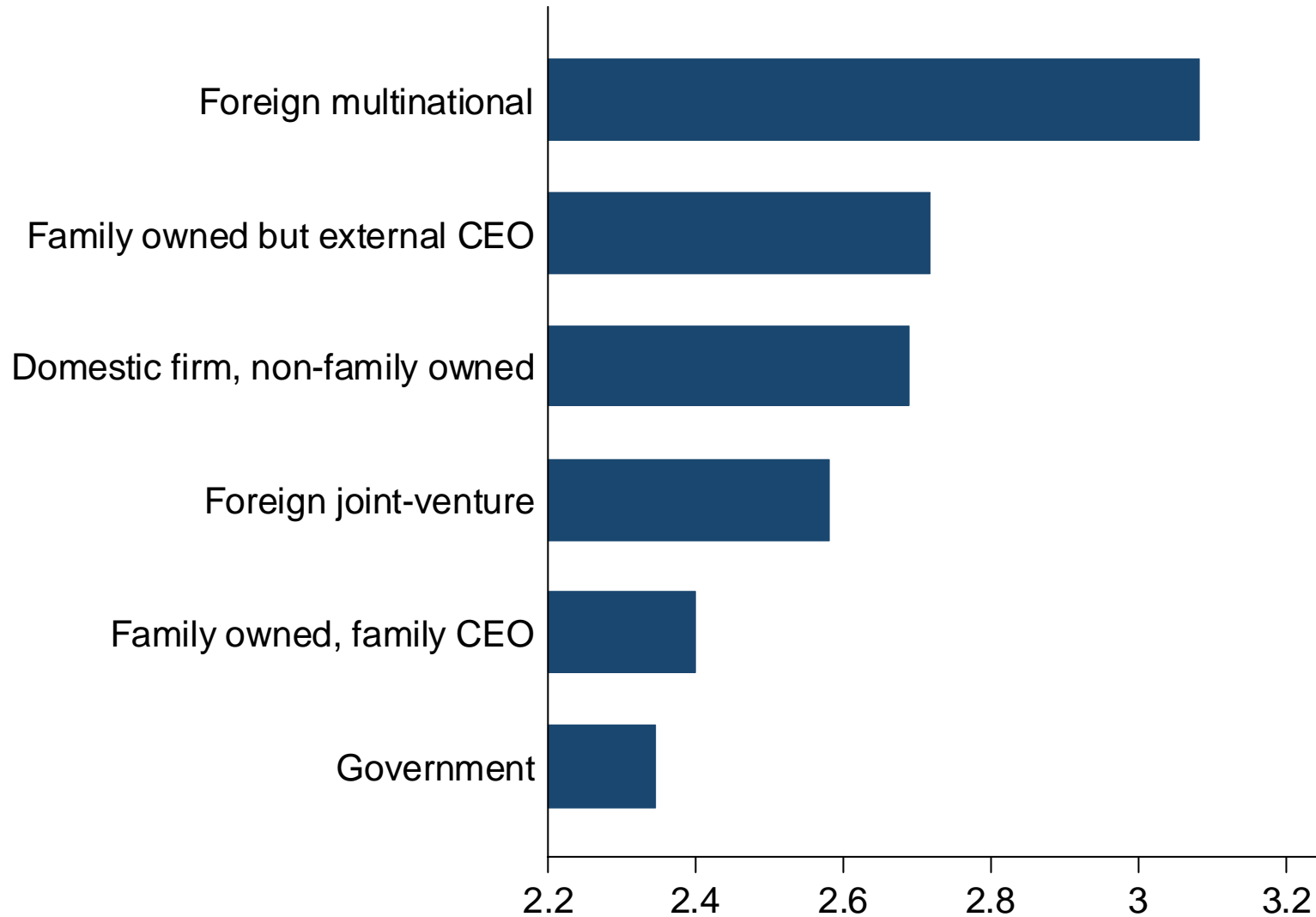
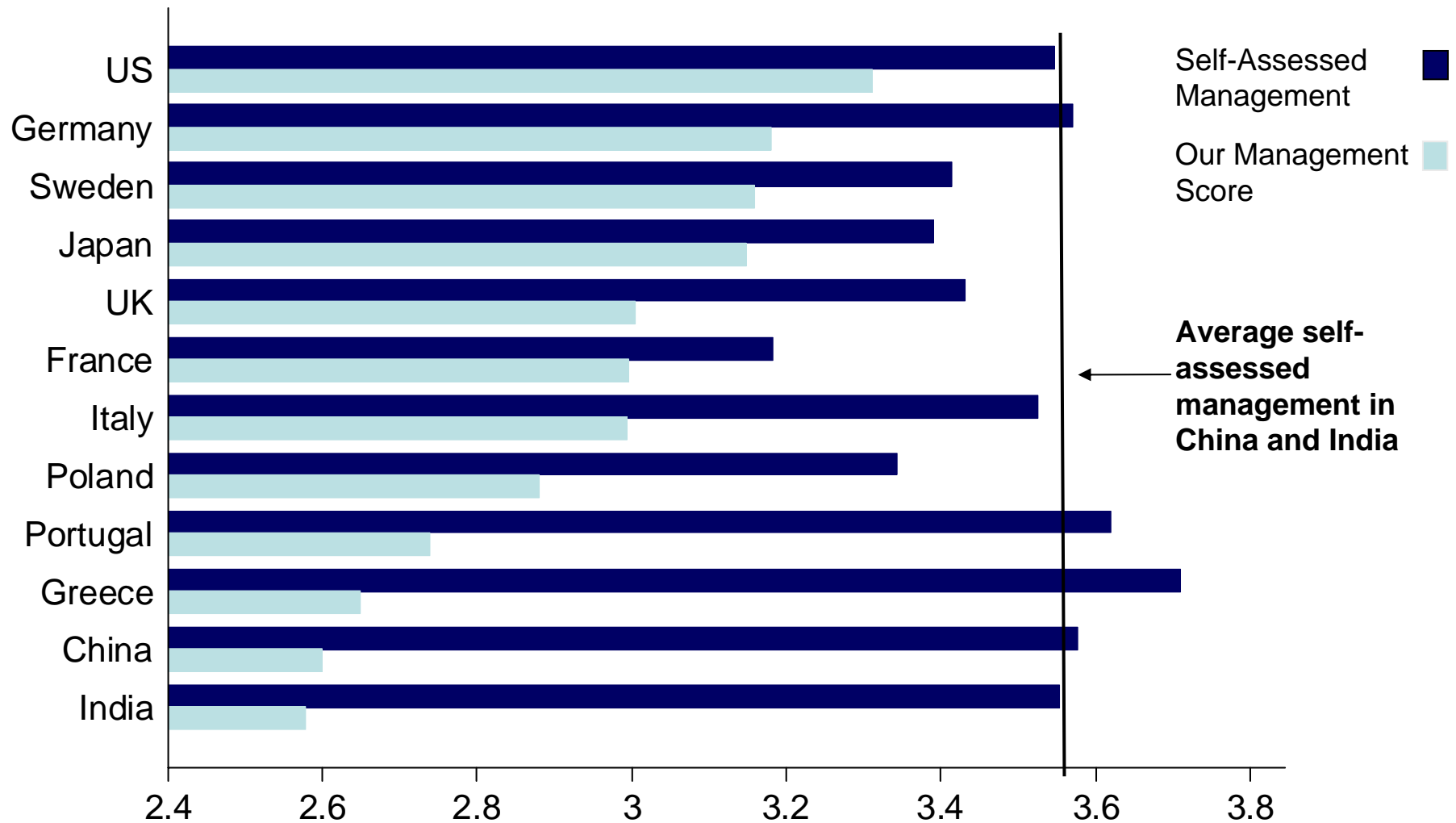


Exhibit 4

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 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

Exhibit 5

Asian firms are much more centralized (hierachical) then Northern European and US firms

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

