**Supplement for Trader Joe’s case study: Value chain of activities template**

**Current Skills, Competencies and Capabilities of Trader Joe’s**

Note: Do the best you can to find information about Trader Joe’s and the U.S. Food retailing/supermarket industry in the Walden library. There is some very good information available, even though the company is private. Where you feel you do not have good information about a specific skill, competency or capability, just “infer” or make a reasonable estimate on your rating and reasoning. Making reasonable estimates is a part of strategy thinking: being able to model based on imperfect information, and to make hunches that you can defend reasonably.

|  |  |  |
| --- | --- | --- |
| Key Area for Analysis | Response with Evidence Documentation | Notes |
| *SKILL CALL OUTS*  *Are there any individuals, who, by themselves, have skills that are critical to the success of the company (think Steve Jobs)?*  *Who are these individuals, what are their roles in the company?*  *What critical skills to they possess that are of strategic value to the company?*  *How hard would it be to replace these individuals?* | Individual 1: Rating  *Explanation….*  Individual 2: Rating  Individual X (insert as many as needed): Rating: |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | ***GENERAL MANAGEMENT FUNCTIONS***  *Information Systems: Rating:*  Explanation  HRM Performance Management Systems (Metrics, Evaluation)  HRM Systems Related to Talent Acquisition  HRM Systems Related to Talent Retention  Accounting Systems  Other General Management Functions (as you identify them) |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | **INNOVATION, RESEARCH, DESIGN, PRODUCT DEVELOPMENT**  Applied Research (Store location selection and acquisition)  Product Development/Selection  Team-Based Innovation in General |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | **MARKETING, SALES, SOCIAL MEDIA**  Marketing  Sales, Promotions  Social Media Elements of Marketing  Other Marketing, Sales, Promotion, PR elements (add as required) |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | **INBOUND LOGISTICS**  Product Procurement and Purchasing  In-Bound Shipping and Receiving  Warehousing and Inventory Management (SKU management with procurement, spoilage management)  Other Inbound Logistics elements (add as required) |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | **OPERATIONS, PRODUCTION, SERVICE PROVIDING**  Operations: Stock Levels and Replenish Systems, Freshness of Food, Look and Feel of Store, etc.  Service Providers: This includes all non-sales competencies that are “customer facing” (floor stockers, help center, butcher, baker, other specialty centers)  Point of Sale Systems and Check Out Experience  Non Food Operations  Cross Functional Coordination to provide Service:  Other Production/Operations elements (add as required) |  |
| *COMPETENCY & SYSTEMS CAPABILITY CALL OUTS:*  *How good is the company in the following areas:*  If the competency, or capability is *“World Class”* (clearly best in industry and could be benchmark for other industries), rate the item a 10.  If the competency, or capability is *“Industry Best”* (clearly number one or two in the industry), rate the item an 8.  If the competency, or capability is *“Industry Average”*, rate the item a 5.  If the competency, or capability *“Needs Improvement”*, rate the item a 3.  If the competency, or capability is a *“Critical Deficiency”*, rate the item a 1.  *Explain in detail your reasoning for how and why you scored as you did, and provide documentation (references).* | **OUT-BOUND LOGISTICS & POST SALES SERVICE**  Product/Service Delivery Scheduling  Outbound Shipping  Post-Sales Service Support  Post-Sales Warranty Support  Other Post-Sales Support elements (as required) |  |
| *STATIC CAPABILITIES*  *CALL OUTS:*  *What physical resources, and outcome resources, (like reputation, cash, patents, etc.) does the company hold that it might be able to leverage in a strategy?* | **CORE CURRENT CAPABILITIES (OUTCOME RESOURCES)**  These are resources that are now potential competitive weapons that were built over the past.  What is the organization’s current cash balance and liquid asset condition?  NOTE: YOU DON’T HAVE TO ANSWER THIS—BUT IT WOULD BE RELEVANT IN OTHER CONTEXTS  What is the organization’s current and project cash flow?  NOTE: YOU DON’T HAVE TO ANSWER THIS—BUT IT WOULD BE RELEVANT IN OTHER CONTEXTS  What is the organization’s current balance sheet health and what are the primary assets with the most value?  NOTE: YOU DO NOT HAVE TO ANSWER THIS—BUT IT WOULD BE RELEVANT IN OTHER CONTEXTS  What patents or other intellectual property does the organization hold that are of strategic value?  What other assets does the organization own or control that are of value and potential strategic significance? (Location, software, buildings, tools, etc.) |  |

**Analysis Table 2: Implications & Recommendations of Skill/Competency/Capability Analysis**

|  |
| --- |
| **Implications & First Draft Recommendations of the Activities Level of Analysis** |
| *Implications—“What does the rigorous review and evaluation of this information mean for Trader Joe’s moving forward?”* |
| *Recommendations—Based on this preliminary, single analysis, what are my initial recommendations to Trader Joe’s?*  (Remember, good strategy can leverage skills, competencies and capabilities, and it should find ways to overcome shortages in these resources) |