

Exhibit 7–20: Appropriate Internal Resources, Competencies, and Capabilities for Strategic Postures

Posture Strategy	Appropriate Internal Conditions (Strengths)
Defender	<ul style="list-style-type: none"> • Ability to develop a single core technology • Ability to be very cost efficient • Ability to protect market from competitors • Capacity to engage in vertical integration strategy • Management emphasis on centralized control/stability • Structure characterized by division of labor • Well-defined hierarchical communications channels • Cost control expertise • Well-defined procedures and methods • High degree of formalization, centralization
Prospector	<ul style="list-style-type: none"> • Ability to adjust organization to a variety of external forces • Technological and administrative flexibility • Ability to develop and use new technologies • Ability to deploy and coordinate resources among numerous decentralized units • Decentralized planning and control • Flexible structure • Marketing plus research and development expertise • Low degree of formalization (few well-defined procedures and methods)
Analyzer	<ul style="list-style-type: none"> • Ability to mix high levels of standardization and routinization of core products and markets with flexibility and adaptation for new products and markets • Structure accommodates both stable and dynamic areas of operation • Effective lateral and vertical communication channels • Many different management skills required • Effective strategy and planning team