The recommendations for the example firm derived from the analysis in chapter 6 represent both effective and efficient guidance for action to improve the strategic posture of the company. However, they are very situation specific and cannot safely be generalized to apply to other situations. The reason is that the recommendations are sensitive to the PARE class into which the firm is placed. Different PARE classifications will lead to divergent, sometimes even contrary, suggestions for action. This notion was used to support the argument that the less-comprehensive corporate planning techniques are unable to differentiate adequately between the problem situations represented by the PARE classes and thus can lead to unjustified generalizations in their recommendations. The argument is proved in this chapter.

The ramifications of nonidentical strategic problems are explored to demonstrate the power of the typification-based PARE methodology. Throughout this chapter the example firm will serve as a benchmark for comparing and contrasting changes in departure situations as well as in the resulting recommendations. To facilitate illustration and eliminate confusion, the example firm and its analysis will be designated as the benchmark case.

Attention is focused first on companies with Resilience problems. Since the benchmark case falls within this category, only firms with either mainly risk or...
mostly endurance problems will be investigated. Both changes in the departure situation and differences in recommendations for these two corporate cases (referred to as the risk case and the endurance case, respectively) are analyzed in light of the benchmark case.

The three PARE classes for companies with Potential problems will then be examined in turn. Each of these classes is compared and contrasted with the benchmark case, the other Resilience cases, and the other two Potential cases to reveal the extent of the differences. It is demonstrated that less-comprehensive corporate planning techniques that cannot distinguish between sometimes subtle but nevertheless strategically important situational characteristics can lead to recommendations that will exacerbate the real problems.

Finally, a PARE I case is discussed: a firm with strong Potential and strong Resilience. From the example cases presented, an appreciation of the analytical depth of the methodology suggested in this book emerges, a depth that cannot be duplicated with any of the other techniques.

No attempt is made in this chapter to explain the detailed reasoning behind the analysis of any of the departure situations. Since the purpose of the chapter is to show the extent of contrasts between recommendations that can arise from the various PARE situational classes, only the differences will be examined in detail. After the in-depth analysis of the benchmark case in chapter 6, the reader will be sufficiently proficient to perform the analysis and derive appropriate suggestions for action.

PROBLEMS FROM THE PERSPECTIVE OF RESILIENCE

PARE position III includes companies that are experiencing Resilience problems of all types. Resilience is composed of the two strategic elements of risk and endurance. Thus the major difficulties could result from endurance deficiencies, unacceptably high risk, or a combination of the two. It is recognized that the concepts of risk and endurance are intertwined and mutually interdependent so as to render at times the isolated consideration of one or the other unrealistic. Nevertheless, it is possible and particularly useful to differentiate between problems that have mainly endurance ramifications or mostly risk implications.

Table 7-1 contains a comparative typification specification for three illustrative cases, all firms with Resilience problems, but which have been placed into nonidentical PARE classes.\(^{55}\) The first column represents the typification of the benchmark case, analyzed in chapter 6, and is used as the point of departure for discussing the situations for the other PARE classes. To highlight differences between the various cases, any time the classification of an item is the