

Strategic Management

ADVISORY

The Challenge - Amidst the changing economic landscape, new strategic imperatives have emerged for today's organizations. Managing these demands require a concerted focus on strategic management processes that help organizations achieve their vision and mission. At KPMG, we are able to provide remarkable results in terms of strategic and operational development and execution through our Strategic Management service offering. Increasingly leading organizations are placing greater emphasis on the discipline of Strategic Management to achieve an improvement in performance.

KPMG's Strategic Management service group encompasses the discipline of strategic planning, modelling business strategies appropriate to organizational needs, market analysis and organizational performance management and measurement. Strategic management is intended to enhance and maximize stakeholder/shareholder value and manage the performance of the organization more holistically. It involves both internal and external analyzes to be conducted in order to identify critical business needs. We assist clients to understand their industry, strategy and competitive positioning; identify and manage their key risks; and enhance business performance. To assist us in executing the organizational strategies developed, we employ various performance measurement frameworks to monitor and track achievement of strategic objectives against organizational goals.

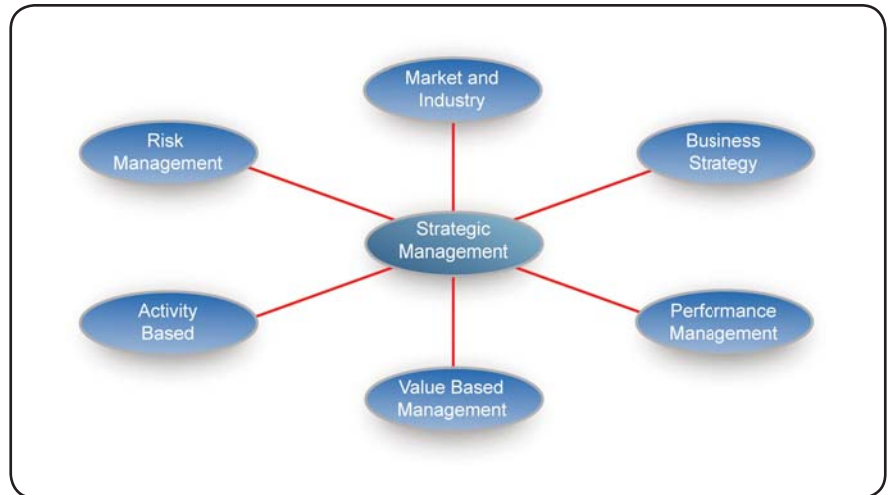
We are also able to provide a range of enterprise planning and management

solutions for our clients who are either in the public or private sector.

Here at KPMG's Strategic Management service group, we are able to work through the lines of business to deliver industry-specific skills and experience in a strategic context. We also focus on the critical business management challenges faced by our clients and draw on the resources within KPMG to deliver integrated solutions best suited to our clients needs.

Methodology overview

We understand that the technological pace and commercial demands of today's business environment change the competitive landscape for companies. Therefore, it is important that companies are consistently kept abreast of these developments and are able to exploit market opportunities. KPMG is able to support this demand by providing the following range of strategic management solutions:



Market and Industry Studies

The Strategic Management Group conducts industry studies and market opportunity assessments for organizations to identify industry competition and its impact to the following areas:

- Profitability and / or market share
- Industry entry and / or exit barriers
- Competitive advantage
- Key success factors

Further analysis on feasibility studies includes research on market structure, segmentation and growth potential; market demand assessments including determinants of demand and demand projections; economic / business risk analysis and close examination of key industry trends and developments.

Business Strategy Formulation & Planning

While it may seem to be a natural progression for a company to conduct regular planning sessions, many organisations in actual fact fail to plan successfully and view their budgets as a substitute for their strategic and business plan. Our services include business modelling workshops, strategic retreat facilitation and business plan development. In developing strategic and business plans, our clients' vision, mission and goals are set down as a standing guide. We seek to assist in brainstorming and providing comparative information in the process of development as well as cascading the strategic direction

throughout the client's organisation. In the phases of development of the business plan, we assist our clients in articulating clear, actionable goals, help build consensus and enhance commitment to strategic action while simultaneously guiding the client's company in its business for the near term.

Performance Management

Our performance management advisory focuses on integrating various information, tools and systems to bring about desired changes in an organization's culture and processes through:

- Communication of strategic direction
- Setting strategy- focused performance goals
- Setting performance goals
- Allocating and prioritizing resources

Our solutions are also scalable and easily integrated with other modules, namely:

- Competency Models
- Staff Performance Appraisal Systems
- Career Management Models
- Operational Budgeting & Planning Systems
- Governance Dashboards



Risk Management

We also conduct various forms of studies that support an organization's ability to use risk management strategically by systematically linking risk and return in their decision making process. The focus is to improve organization control on minimizing economic losses and optimizing resource usages as a means or maximizing shareholder value. The key focus areas are:

- Risk Identification
- Risk Analysis
- Risk Monitoring
- Risk Management

Value Based Management

This solution area recognizes the need to put shareholder value creation in the middle of the organization's philosophy by focusing on the economic value created within. When conducting shareholder value engagements, we focus on analyzing the core value drivers within an organization such as income generation, cost management and asset management. To maximize shareholder value, we assist organizations in directing company strategy, capital, structure, processes, remuneration and performance measures to achieve financial based improvements that contribute towards greater shareholder value.

Activity Based Management

We also provide various solutions that allow organizations to link their costs for each product or service through analysis of key business activities. Besides that, the two key elements we focus on within activity based management are:

- Strategic activity based management
 - provides the input for the decision-making in economic value management
- Operational activity based instruments
 - used for running the daily business
 - deliver relevant information for performance measurement

The benefits to you

Our strategic management services and experiences provide the following benefits to our clients:

- Provide a structured framework to develop an actionable value-based strategy;
- Provide organizations with the tools to develop the strategic focus they need to meet future challenges;
- Deliver critical information to support strategic decision making at various levels within an organization;
- Achieve strategic, operational and organizational alignment to support performance; and
- Understand the impact of strategic choices and strategic plans on the organization's financial and non-financial resources, and manage accordingly.

Why KPMG?

KPMG Business Advisory adds value to our Client engagements because of our:

- Experience - Our consultants have a proven track record on a range of strategic management engagements and we are able to draw upon our international network of experienced practitioners when the need arises;
- Knowledge - Our intimate knowledge of global and Malaysian economic and corporate developments and sharing of both internal and external best practice;
- Skills - Our team of professionals' skills combine geographies and functional skills and are able to deliver high quality services; and
- Objectivity - Our uniquely qualified team will provide Clients with comprehensive and objective views with regard to their engagement objectives.



Contact us

For further information, please contact:

Hew Lee Lam Sang
Executive Director
hewlee@kpmg.com.my

Dr John Lee
Executive Director
jhhlee@kpmg.com.my

Anita Menon
Executive Director
anitamenon@kpmg.com.my

KPMG Business Advisory Sdn Bhd
Level 8, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor, Malaysia
Phone: +603 7721 3388
Fax: +603 7721 3399

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2008 KPMG Business Advisory Sdn. Bhd., a company incorporated under the Malaysian Companies Act 1965 and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. All rights reserved.