

Case Study Example: *This case is a real life example, although the identity of the client has been removed to protect client confidentiality.*

Strategy Services Case

ABC, a small organisation based in New Jersey and involved in the wholesale of pulses, recently became aware of significant Middle East sales opportunities – allowing expansion out of their NAFTA based sales area.

At the outset, in 2002, this new geographical channel worked extremely well, with ABC's partners in the Emirates taking care of marketing, logistics and supply chain issues for ABC in the region. However, with the introduction of Sarbanes Oxley reporting laws, ABC were obliged to include actual and projected sales data into market news much faster and more accurately than ever before. With the inclusion of Middle Eastern business, compliance with this area of the Sarbanes Oxley legislation was proving challenging.

While data visibility of projected future cash flows in the NAFTA area had always been relatively easy to gather, ABC executives found that in the Middle East agreement could not be reached about currency issues, competitive landscape, political factors, and demand patterns. Accuracy of information was difficult to verify and in addition, each executive had a different opinion of how the geo-political events of the region would impact future revenues there.

ABC approached Near East Services to examine how access to specialist information could help increase future visibility for the company. In the event, Near East suggested that ABC would best benefit from 'Scenario Planning' as a means of collecting various opinions on future events, how these events could impact ABC, and achieve consensus on possible outcomes.

ABC executives involved in the scenario planning process were extremely busy, resided in diverse areas of the USA and as such, were able to benefit from the questionnaire / conference call based approach that Near East adopted to gather and prepare data for the process. The step-by-step and logically structured approach by which the scenarios were constructed lead to

the formulation of 20 scenarios and consensus within the planning group that each opinion had been represented. From this base, senior management were able to attach percentage likelihood to each scenario, and examine how best to prepare for the top 5 most likely within the auspices of their current corporate strategy.

The entire process was electronically project managed by Near East, delivered on time, and completely avoided costly and time consuming workshops for ABC executives.