

DEVELOPMENT OF A STRATEGIC BUSINESS PLAN ROYAL HALAL PTE LTD

Royal Halal Pte Ltd was established on 8th December 1995 as the ultimate holding company of several subsidiaries directly involved in the manufacture, distribution and retailing of halal food products.

When SSA Management Consultants Pte Ltd was approached to assist in developing a strategic business plan for the company, Royal Halal was operating a small factory producing fresh satay for wholesale as well as retail sales to end-consumers. Their monthly sales then averaged \$30,000. During the consulting process, the ideas and recommendations put forth by the consultants have helped Royal Halal's management to focus on a strategic growth path for the company's future. Upon completion of the business plan, the following commendable **achievements** were made:

1. **Introduction of frozen satay** to the Singapore market, resulting in new sales of **\$18,000 per month** for the company. The company could be the first local food manufacturing company to have introduced frozen satay to the Singapore market.
2. **Setting up of a restaurant** in Sembawang Shopping Centre called *Jalilah's Sate Solo*. This is the company's first attempt at opening up a restaurant outlet for its operation. After three months of operation, the restaurant has managed to achieve an average **monthly sale of \$58,000**, way above its initial estimate of \$30,000 per month.
3. **Opening an al-fresco style outlet** at Sembawang Shopping Centre called *Singapore Satay Club @ Sembawang* with a seating capacity of 150. The outlet will be opened by the end of July 2000. This outlet is projected to generate revenue of at least \$100,000 per month within its first six months of operation.
4. The opening of the two outlets in Sembawang Shopping Centre has also altered the business façade of the shopping centre itself. Previously, the business outlook for the shopping centre seemed unpromising and boring. With these outlets, the shopping centre has turned into a place for families to gather. The management of the shopping centre has acknowledged that the current outlet has definitely brought in the crowd to the shopping centre. With the opening of the Singapore Satay Club @ Sembawang, people from all over Singapore are expected to patronise the Satay Club, (considering its novelty appeal) and of course the shopping centre.

The total impact of these achievements on the company's financial standing is an **increase in sales revenue of \$176,000 per month or \$2.1 million per year**. In addition, the company has also grown in size **from a 5-person outfit 6 months ago to its current team of 40 employees**.

Other developments currently being pursued are:

- Franchising of the al-fresco style Singapore Satay Club at several locations throughout Singapore. Each outlet will be identified by its brand name *Singapore Satay Club @*. Hence an outlet in Shenton Way will be known as *Singapore Satay Club @ Shenton Way*.
- Discussion with potential overseas investors to franchise the al-fresco style Singapore Satay Club globally. A serious discussion is now underway with an investor to open a franchised outlet in Perth, Australia.

In addition to the Business Plan, SSA Management Consultants Pte Ltd has also assisted Royal Halal in the development of Human Resource Management and Policies, formulating a Management Reporting System and Control Procedures including Point-of-Sales system and Market Development Plan. SSA Management Consultants Pte Ltd is proud to be a partner in the company's vigorous growth.

