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`Local businesses must revamp now'

MALAYSIAN businesses should restructure now as there is no time to waste, A.T. Kearney vice president and managing director (South-East Asia) Professor Christopher J. Clarke said.

The Malaysian Government, he said, has bought time for the country to restructure for recovery by imposing the new exchange controls but the bold policy lined up by Prime Minister Datuk Seri Dr Mahathir Mohamad will only work if Malaysian businesses use time wisely.

"This move will enable Malaysia to operate a domestic recovery policy without the detrimental impact such a reflationary policy would normally have on the ringgit," Clarke, who is also the visiting professor at Henley Management College, said in a statement on the occasion of Henley's Management Awards this week.

The award presentation will be held on Friday and organised by Business Times, which is the co-sponsor for the event.

The winner will get an award valued at about RM20,000 that covers tuition, course materials, meals and accommodation for a five-day management programme at the College, which is located near the Thames River in London.

Clarke, in his statement, also proposed a five point plan for the Malaysian businesses' recovery, namely ensuring a healthy cash flow, building a strategic focus, improving business performance, exporting for growth and seeking world-class partners.

He said if businesses implement this five point programme, Malaysia will have made good use of the time that the Government has bought with its exchange controls.

"Malaysia is already running a trade surplus, given the right actions by firms, as exports continue to rise above imports, the currency falls should eventually reverse themselves and exchange controls will no longer be necessary," he said.

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