

# What Is happening to Your Core Business And What Transformation Is Needed For The Future

*Host: Yameenuddin Ahmed & Hassan Adnan*

*In this webinar, we will be sharing the dynamics of the current trends shaping Pakistan and their implication on core business and exploring strategic options for sustainability.*



# HOST'S INTRODUCTION



**YAMEENUDDIN AHMED**

CEO | TIMELENDERS

- 29 Years of working experience
- Entrepreneur, OD Trainer & Business Consultant (with specialization in Family Businesses Sustainability & Strategy)
- Have influenced over 100,000 people from 80+ Nationalities
- Worked with 1000+ Organizations in (Asia, Africa, ME, Europe & NA)
- Extensively Traveled to various parts of the world, including Pakistan, South-East Asia, the Far East, the Middle East, Europe, and Africa
- Involved in the Visioning & Strategic Road Mapping Process of some of the leading organizations and groups



**HASSAN ADNAN**

SENIOR CONSULTANT - BUSINESS STRATEGY

- 7 Years with Timelenders
- Consulted with clients from different industries, including FMCG, Manufacturing, Retail, Software, and Telecom services.
- Develop strategies for profitable growth by identifying the biggest leverage areas.
- Previously, I worked with Coca-Cola as a Business Analyst.
- He holds a Master's in Computational Social Science with a focus on Organizational Dynamics.



# WHO ARE WE?



Timelenders started in 2002 with a Vision of helping individuals and organizations develop meaningful existences and lives. Since its inception in 2002, over 100,000 individuals have been positively influenced to develop character, and build competencies critical to organizational success, and Leadership. The clientele includes organizations from all walks of life.



Strategy Patterns is a Strategy Focused and research-oriented publication and consulting subsidiary under Timelenders. Consulting has been a part of Timelenders' journey from the beginning; However, in the past six years, we have had focused work with several business groups in Pakistan and the Middle East. This has led us to publish our first report, ***"7 Trends Shaping Pakistan's Business Landscape and Their Second Order Affects"***, which has been received very well by the business community and at the Governmental level. From this platform, we will continue to publish research-oriented reports to help increase the strategic IQ of business owners, managers, and economic policymakers.

# WHY ARE WE DOING THIS NOW?

Pakistan has entered one of the most turbulent periods in its history since its independence. We are presented with an unprecedented number of challenges, whether concerning the social, political, or economic front.

- Underlying these cataclysmic shifts, we believe in an opportunity to become a resilient nation on all fronts.
- We believe these are thus necessary adjustments to move towards a new transformation.
- Our business eco-system has been underdeveloped; according to a recent PIDE report, our productivity increase had been meager compared to other nations.
- This productivity increase can be realized when we are able to steer our businesses toward a resilient future.
- Today's webinar is an attempt to show you how to read some signals for such transformation in the future.

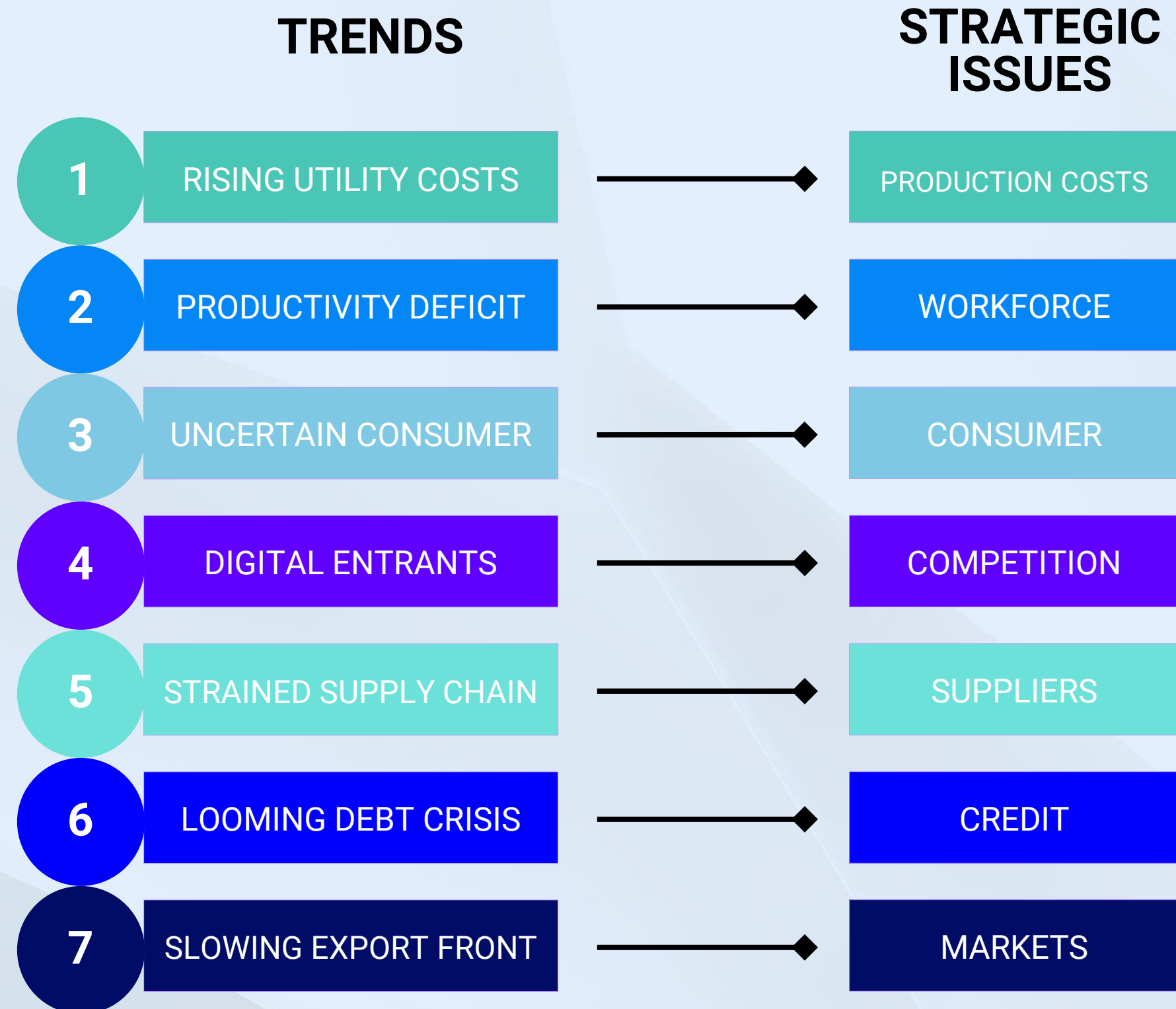


سورہ آل  
عمران

وَشَاوِرْهُمْ فِي الْأَمْرِ فَإِذَا عَزَمْتَ فَتَوَكَّلْ عَلَى  
اللَّهِ إِنَّ اللَّهَ يُحِبُّ الْمُتَوَكِّلِينَ ﴿١٥٩﴾

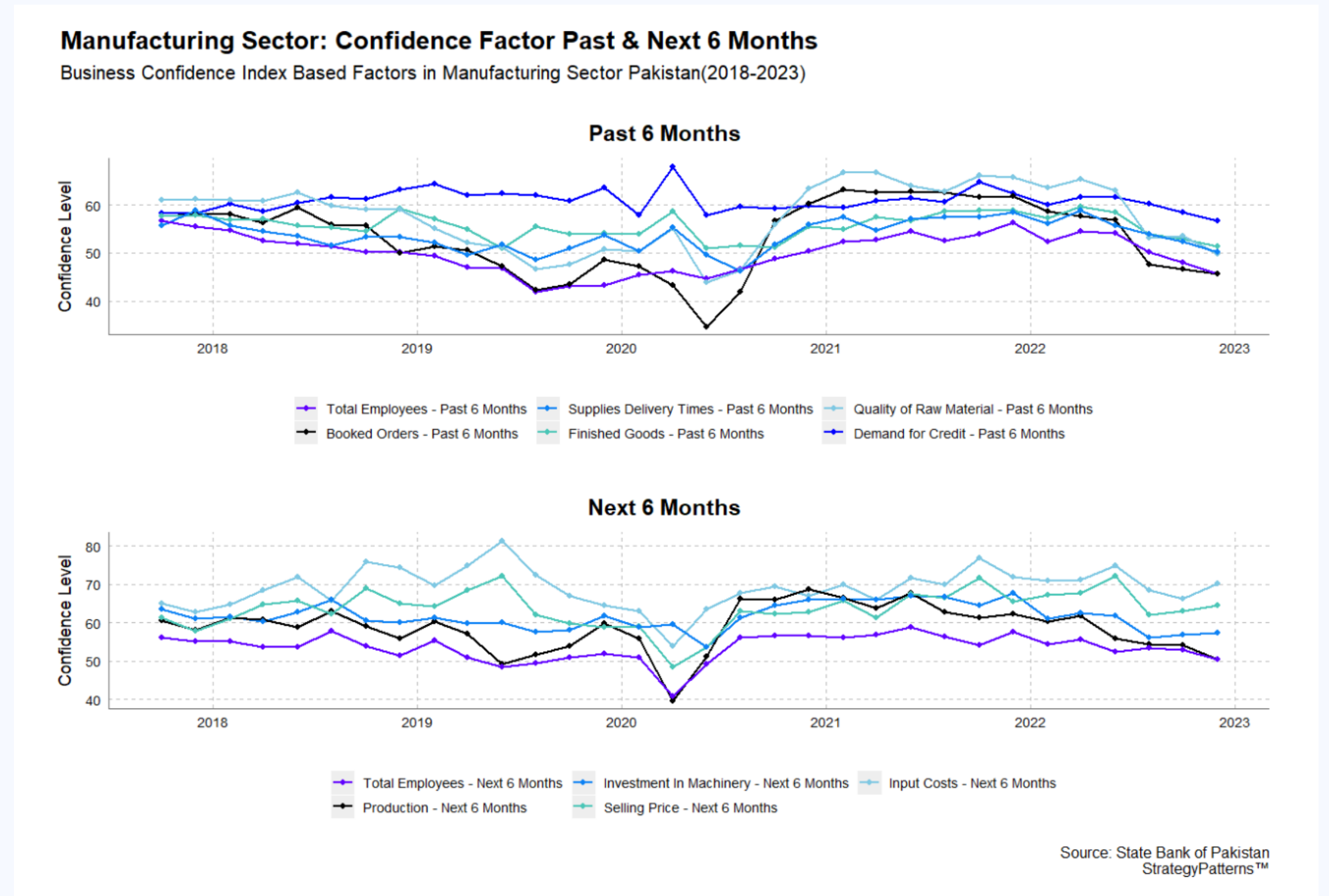
اور اپنے معاملات میں ان سے مشورہ کر لو، پھر جب (کوئی فیصلہ  
کر لو) پگّا ارادہ کر لو تو پھر اللہ پر مکمل بھروسہ کرو۔

# TRENDS SHAPING BUSINESS LANDSCAPE IN PAKISTAN



# MANUFACTURING SECTOR

- Past 6 Months:** In the wake of weak demand for manufactured goods both in local and export markets, production is low, followed by lowered secured orders leaning towards Covid-19 times.
- Next 6 Months:** The employed labor is going to reduce in the wake of lower production requirements to offset the financial loss; moreover, we see a push of prices because of cost increase. An encouraging factor is an investment in modernizing machinery, which will increase productivity in the long term.

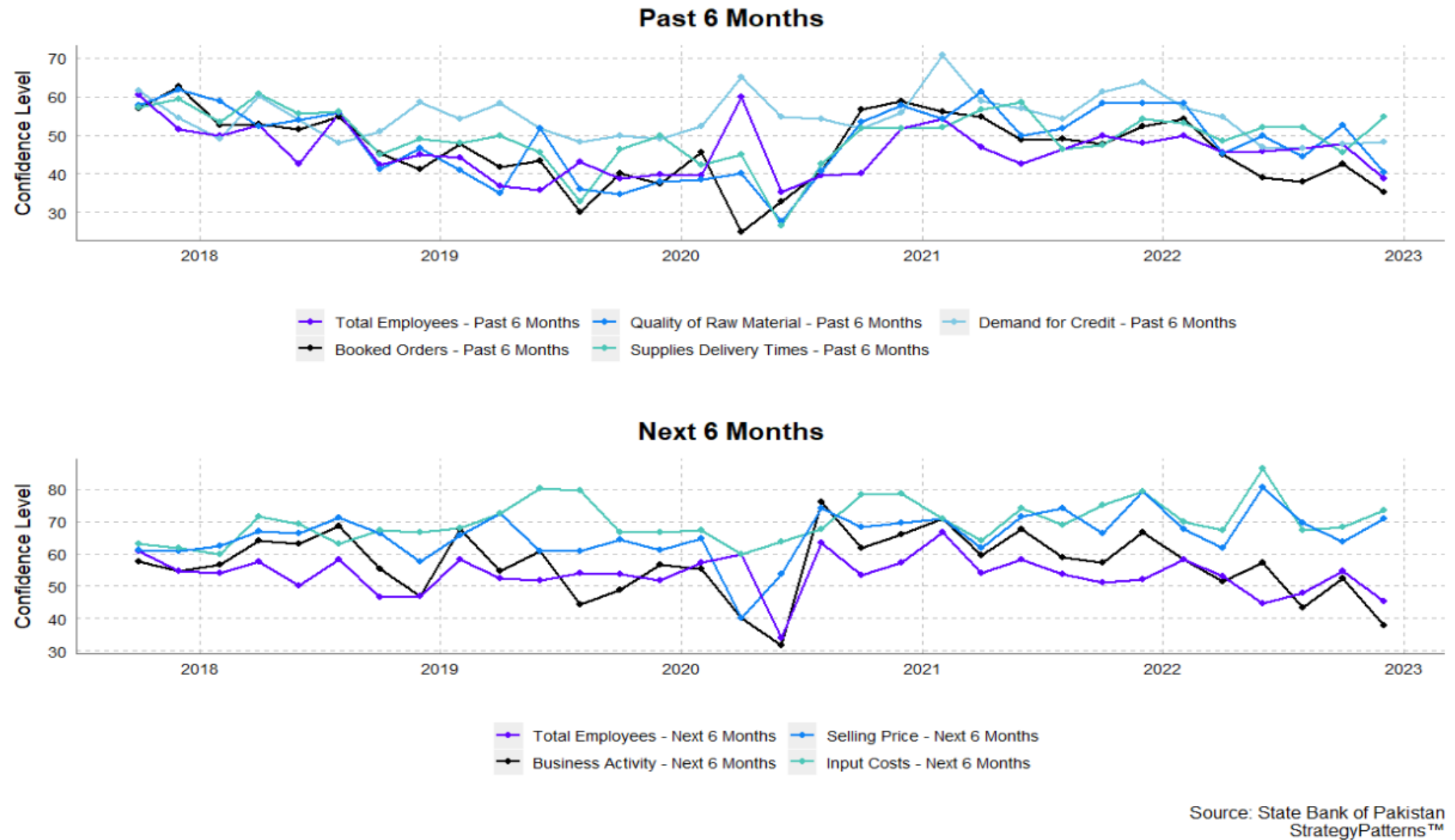




# CONSTRUCTION SECTOR

- **Past 6 Months:** The Supply chain is still sustainable in construction, but the current booked orders are leaning low due to uncertainty in the market and low investor confidence.
- **Next 6 Months:** The construction industry is like to have the lowest business activity among other sectors because of very low investor confidence due to uncertainty. Input costs are likely to soar, followed by price hikes which may also affect demand as uncertainty starts to reduce.

**Construction Sector: Confidence Factor Past & Next 6 Months**  
Business Confidence Index Based Factors in Manufacturing Sector Pakistan(2018-2023)

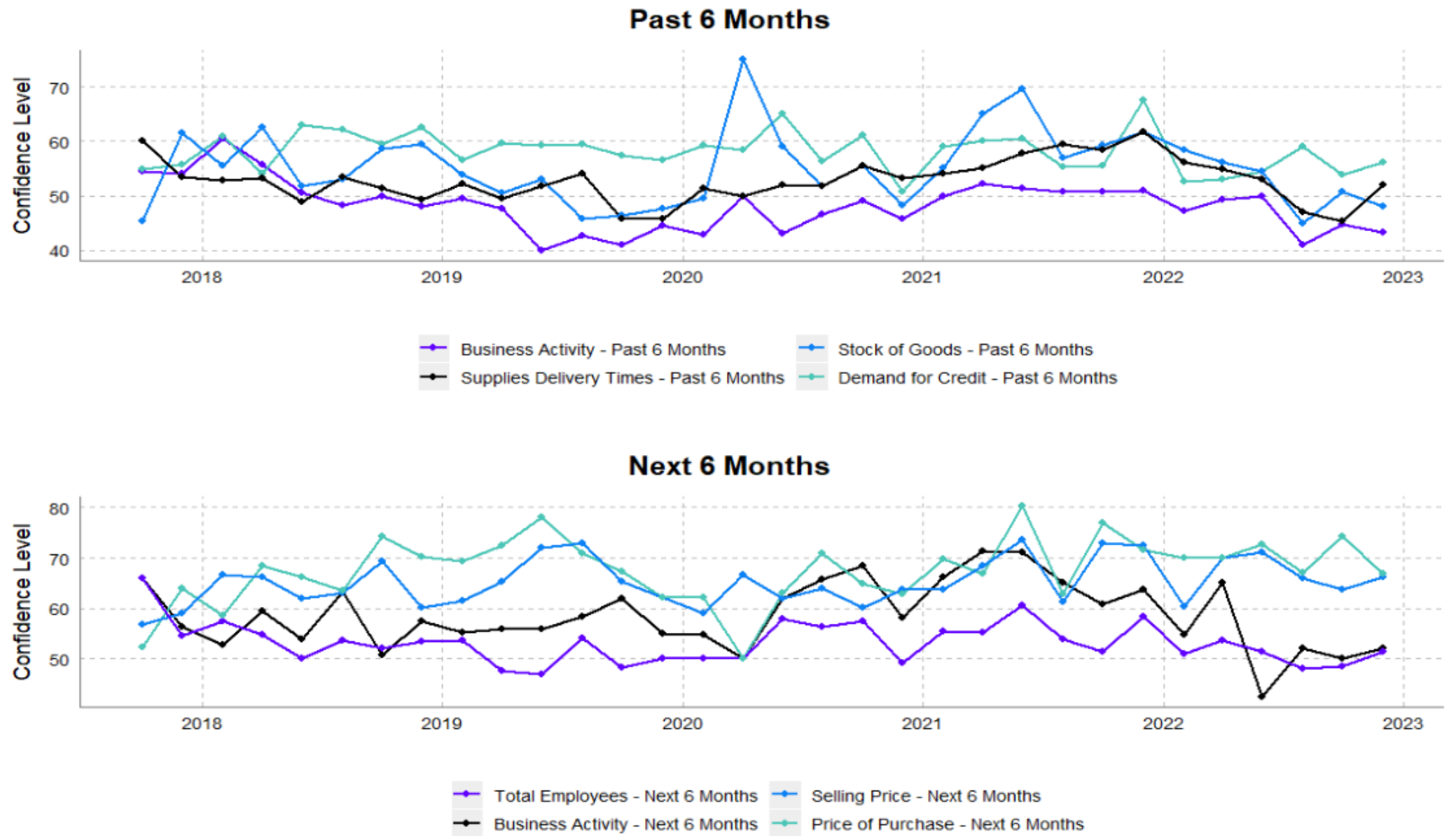




# WHOLESALE & RETAIL SECTOR

- **Past 6 Months:** Business activity has tanked yet is still consistent, which likely aligns with essential's consumption. The stocks are depleting, mainly due to import restrictions.
- **Next 6 Months:** Perhaps it is the only sector that expects a positive uptake in the next six months as uncertainty sheds, imports resume, and stability in purchase and selling prices that could stimulate demand.

**Wholesale & Retail Sector: Confidence Factor Past & Next 6 Months**  
Business Confidence Index Based Factors in Manufacturing Sector Pakistan(2018-2023)



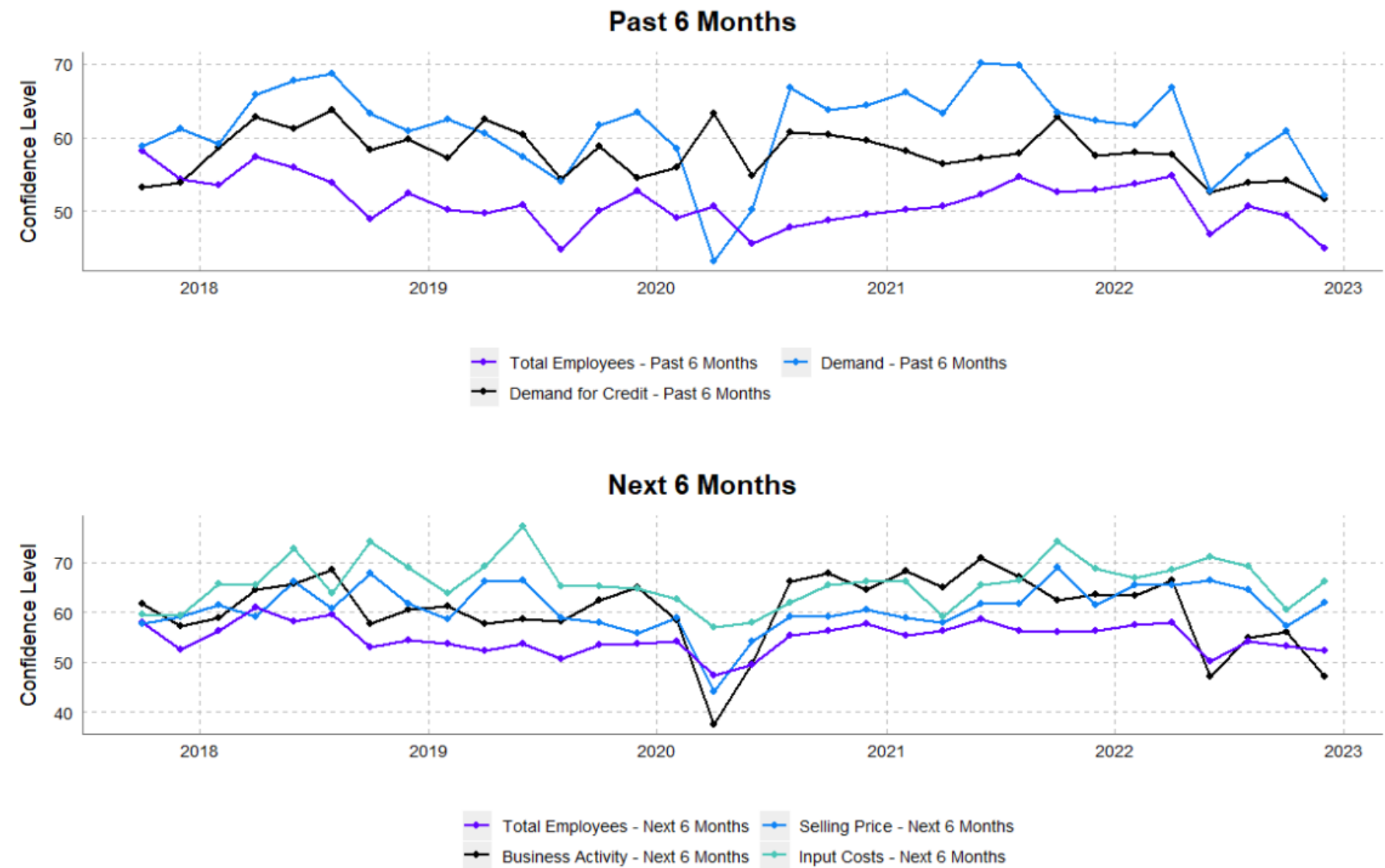
Source: State Bank of Pakistan  
StrategyPatterns™

# SERVICE SECTOR

- **Past 6 Months:** The service sector is also seeing a downward activity as much of it is connected to other sector activity in the wake of held up demand from consumers and businesses.
- **Next 6 Months:** The business activity outlook is likely to be positive; however, we see that businesses plan to retain their employees due to specialized skills in case of uptake demand to recover growth which is a positive sign

**Service Sector: Confidence Factor Past & Next 6 Months**

Business Confidence Index Based Factors in Manufacturing Sector Pakistan(2018-2023)



Source: State Bank of Pakistan  
StrategyPatterns™

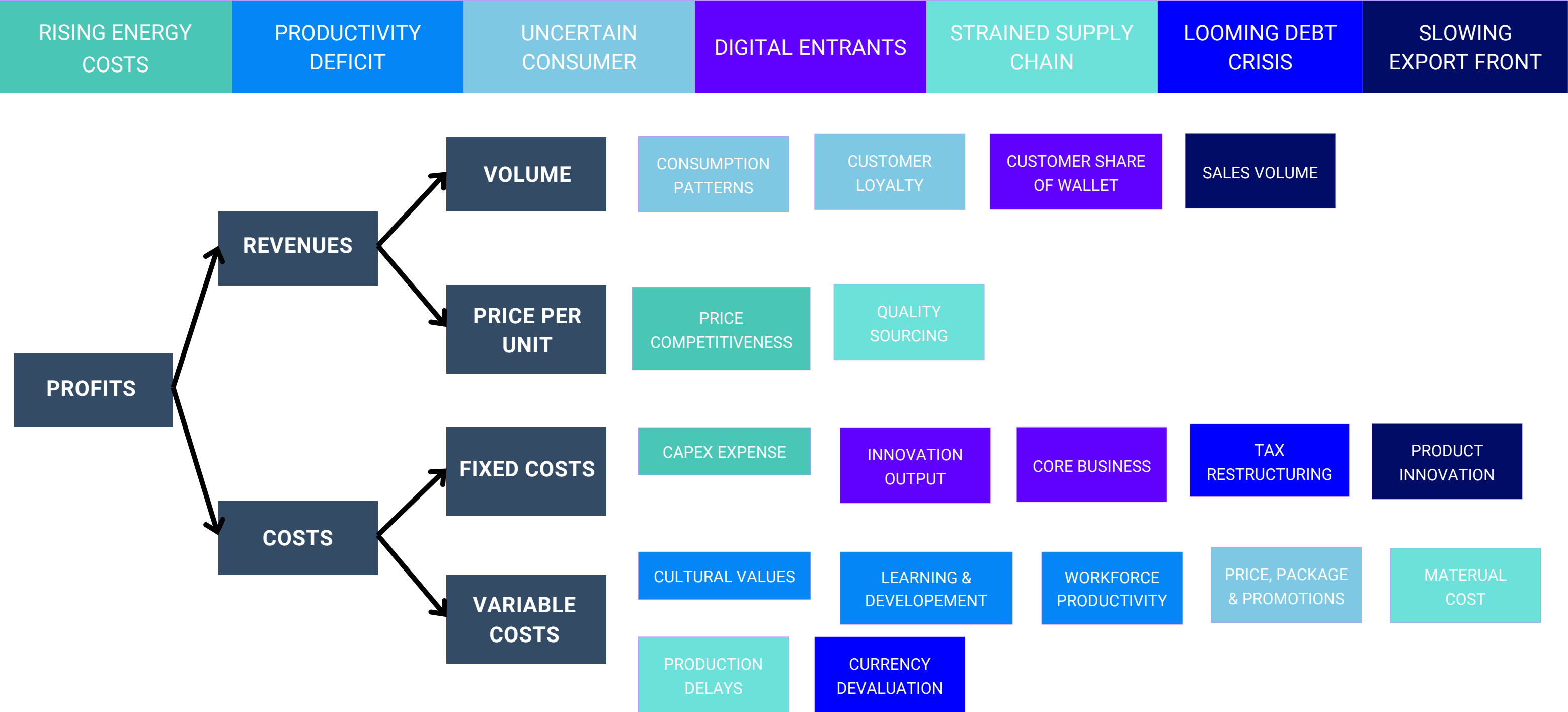
# SECTOR IMPACT MAP

SECTORS	RISING ENERGY COSTS	PRODUCTIVITY DEFICIT	UNCERTAIN CONSUMER	DIGITAL ENTRANTS	STRAINED SUPPLY CHAIN	LOOMING DEBT CRISIS	SLOWING EXPORT FRONT
MANUFACTURING	High Risk	High Risk	High Risk	Medium Risk	High Risk	High Risk	High Risk
CONSTRUCTION	Medium Risk	Medium Risk	High Risk	High Risk	Medium Risk	High Risk	Low Risk
WHOLESALE & RETAIL	High Risk	Medium Risk	High Risk	High Risk	Medium Risk	Medium Risk	Low Risk
SERVICE	High Risk	High Risk	High Risk	High Risk	Low Risk	Low Risk	Low Risk

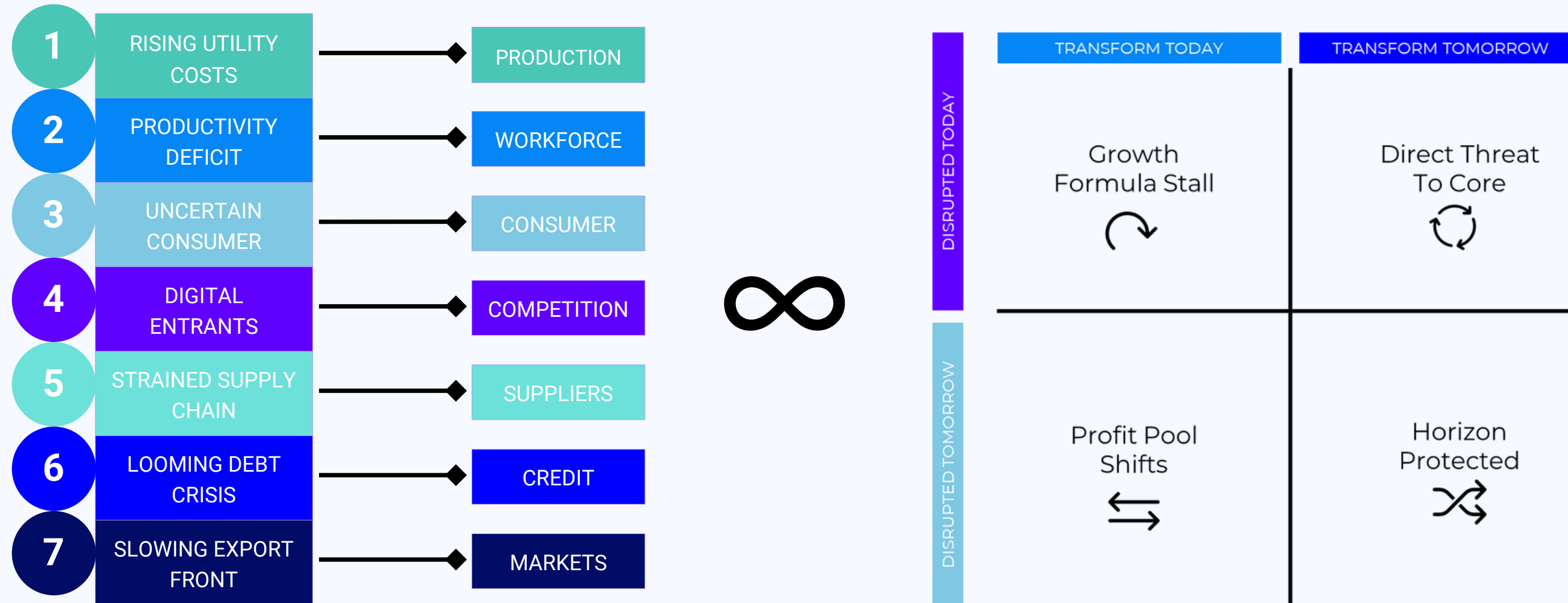
High Risk  
 Medium Risk  
 Low Risk



# HOW TRENDS AFFECTING PROFITS

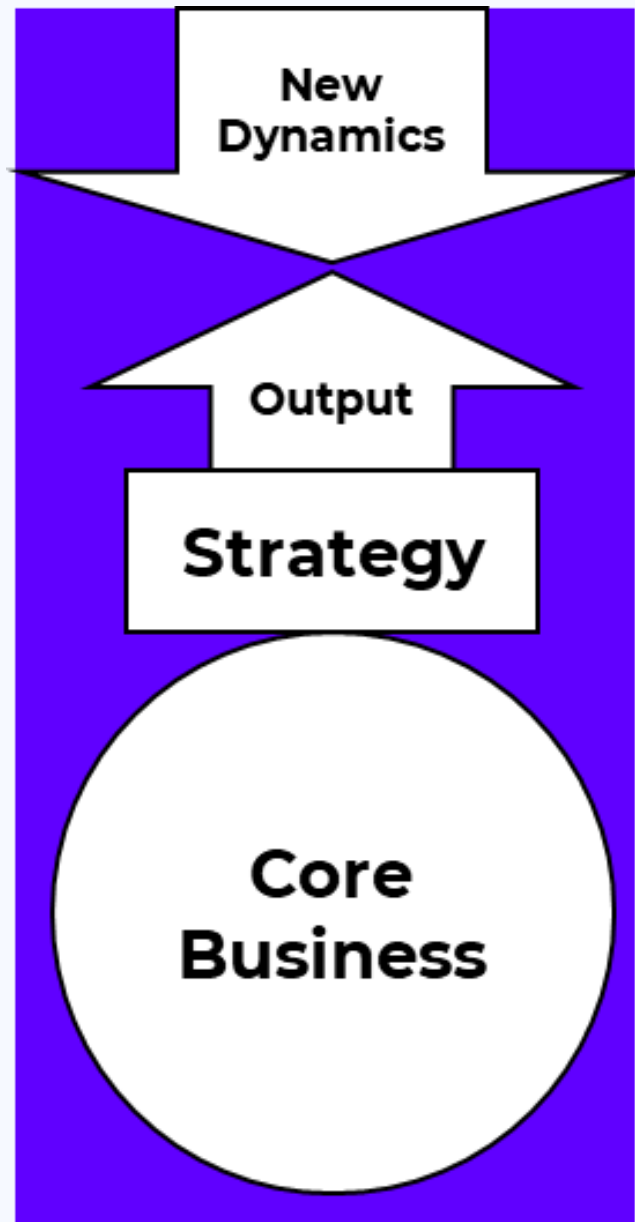


# 3 STRATEGIC RISKS TO CORE BUSINESS



The trends have triggered profitability leaks in all sectors in one way or the other. They could have been ignored if they were short-lived. But we see them to affect the economic landscape for couple of years down the line. They can trigger at least three types of strategic risks to the core business.

# #1 GROWTH FORMULA STALL

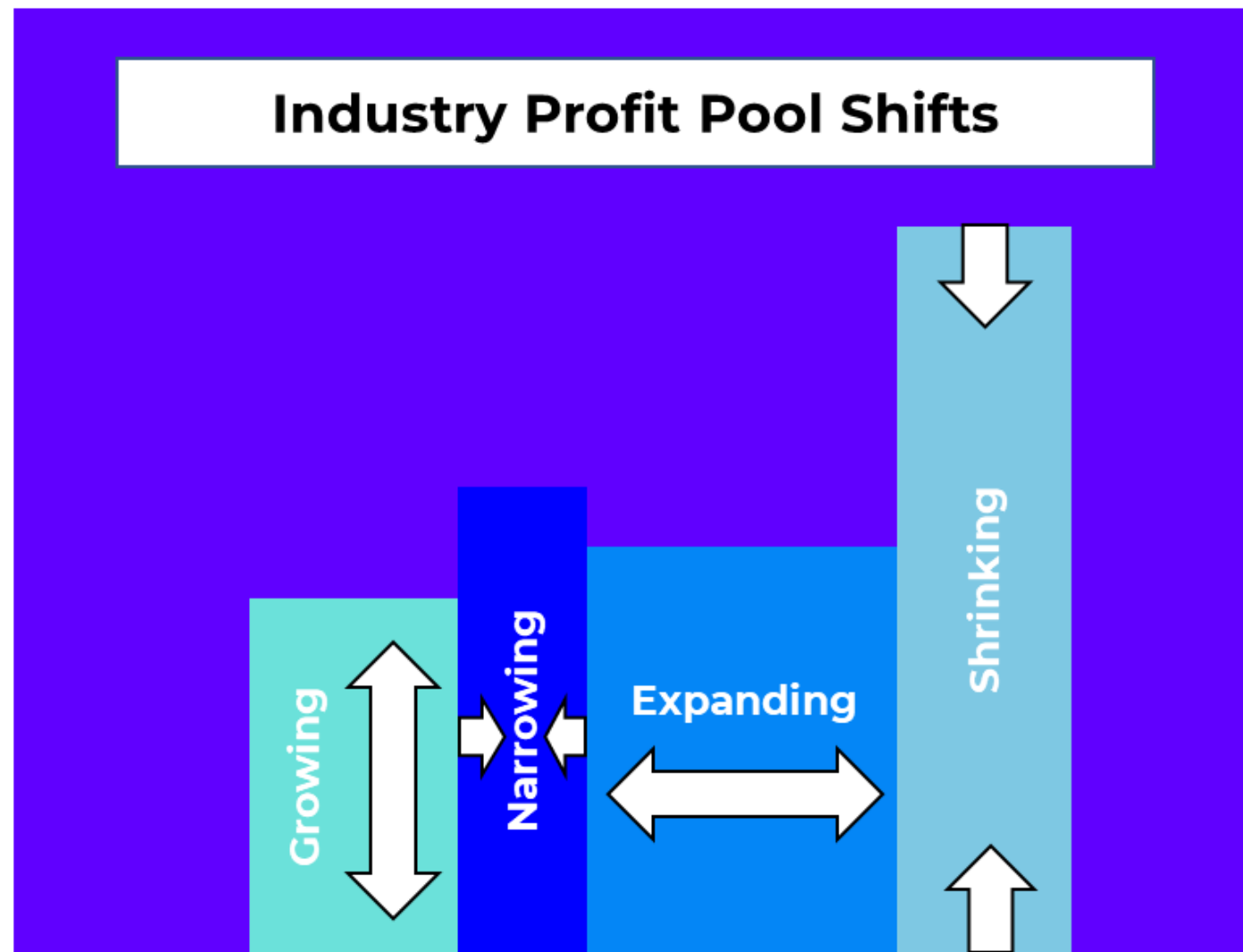


Your business has a strategy that has been delivering superior results until now because you identified a niche to grow, had less competition, and had a recipe for higher profits. But now you are not growing despite trying your best. Chances are this is happening because:

- The market capacity for growth has been exhausted; it's either a declining market now or just saturated
- The competitive advantage is lost due to more efficient players in the market
- The market positioning is becoming weaker because competition is growing the market share
- Customer loyalty is getting weaker, and it is harder to retain customers

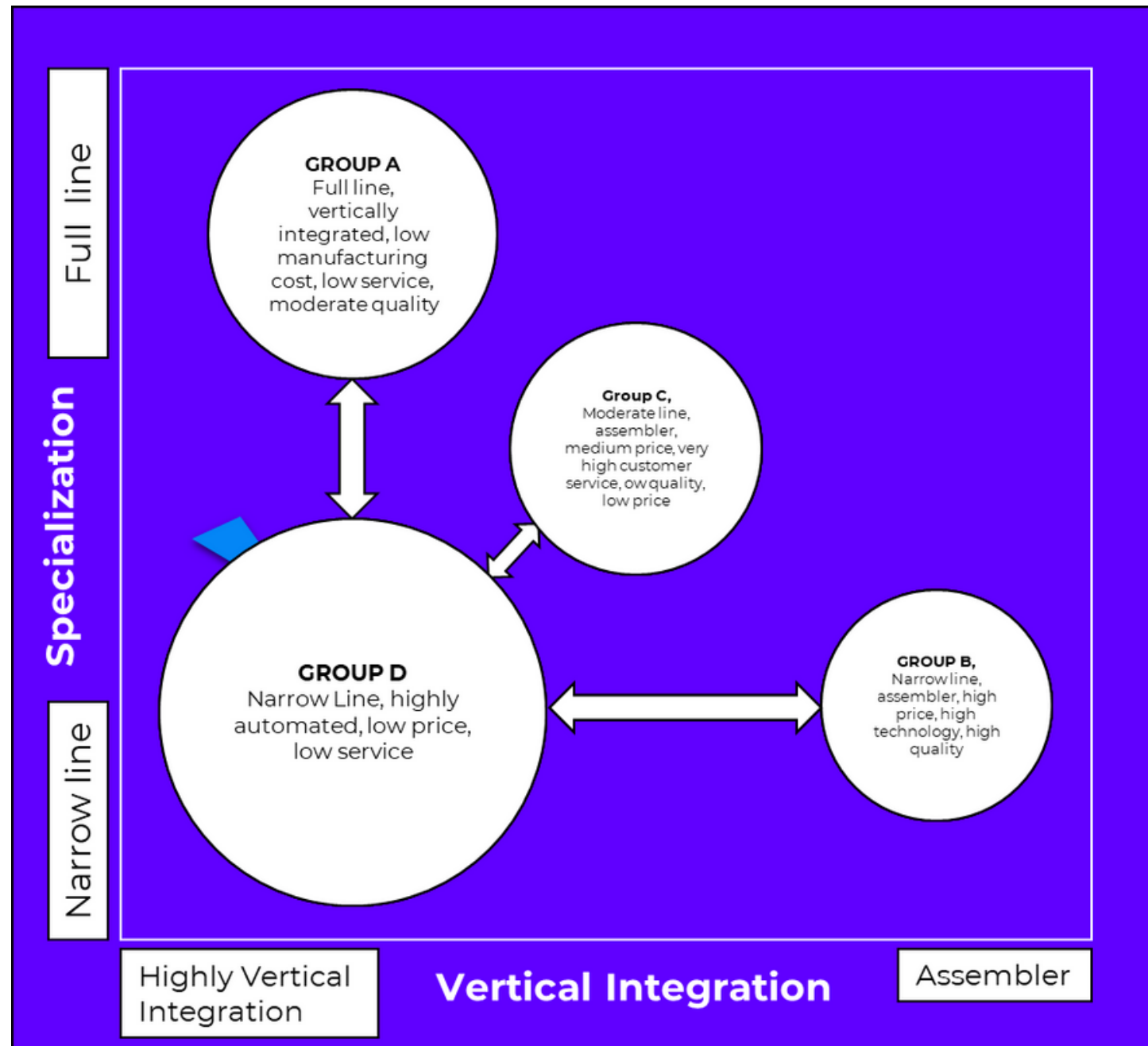


# #2 PROFIT POOL



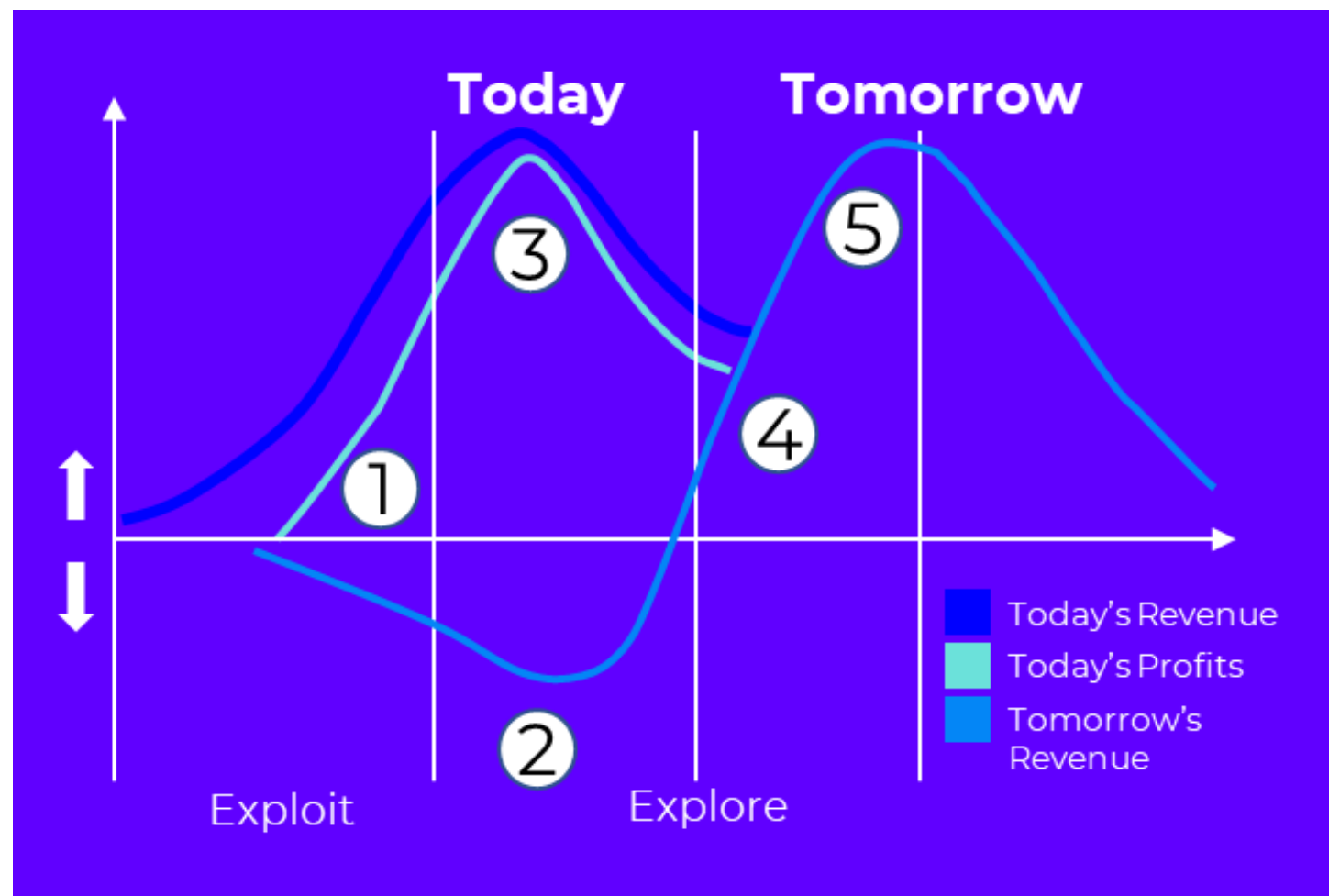
- Every core business is participating in an industry and profit pool market
- The core business is exerting pressure against the competitive forces to exist and secure profits
- But ever so often, these profit pools start to shift because:
  - A competitor grows market-share aggressively
  - The industry suppliers consolidate and raise prices
  - New substitutes are introduced that eliminate profit pools altogether
  - New players alter the profit formula and market economics

# #3 THREAT TO CORE BUSINESS



- The industry is ripe for disruption and is mostly one which is established, have players with a well-defined strategy, and market
- But the success of the industry actually bears the bearings for its disruption, usually backed by changes in customer habits or investment into companies that are trying to figure out new ways of doing business within an old market.
  - New Technology
  - Customer habits
  - Venture investments

# STRATEGIC TRANSFORMATION JOURNEY



- Nurturing a profitable core business by identifying profit leaks in accounts, orders, products, channels, supplier level
- Exploring near-to-core adjacencies to identify future core possibilities
- Scale current core to the maximum to maximize ROI and accumulate Free Cash Flow for future investment in future core
- Strategic reallocation to balance the resource allocation (Capital, People, Infrastructure) to reduce current core dependence and expand the future core and develop new capabilities and change management process
- Scale future core to realize the maximum ROI



# STRATEGIC AGENDA FOR CURRENT CORE

**FI**

## PORTFOLIO PROFITABILITY

- Profitability across multiple views inside the business
- Identifying future operating costs at multiple horizons
- Ensuring healthy cashflow to tackle reinvestment

**S&M**

## STRONG MARKET POSITIONING

- Identifying new patterns in demand and consumption
- Defending profitable market share with 4Ps
- Catalyzing innovation input and supporting faster output

**HR**

## ENGAGED DIGITAL WORKFORCE

- Digital upskilling of the workforce
- Knowledge transfer between the old and new generation
- Harmonious cultural values that build strategic agility

**SC**

## ENHANCED EFFICIENCY

- Building resilience through strategic sourcing
- Foresee complexity across multiple views in production
- Reduce costs through digitalizing processes

**IT**

## DIGITAL AGILITY & BUSINESS

- Deploy infrastructure that helps build strategic agility
- Increase the ROI of the process through automation
- Create business value through digital business models

**FI:** Finance  
**S&M:** Sales & Marketing  
**HR:** Human Resources  
**SC:** Supply Chain  
**IT:** Information Technology

# CONSULTING TEAM

---



**YAMEENUDDIN AHMED**

OD, LEADERSHIP & STRATEGIC THINKING

He has consulted with companies across three continents; his consulting and training work has helped clients, including Fortune 500, Forbes Global 2000 companies, Pakistan's leading family business groups, and Governmental institutions in the area of Leadership, Organizational Vision, Strategic Insight, planning, and productivity. His vast experience across multiple domains gives him a natural advantage in strategic advice.



**HASSAN ADNAN**

BUSINESS STRATEGY

He has consulted with clients from different industries, including FMCG, Manufacturing, Retail, Software, and Telecom services, developing strategies for profitable growth by identifying the biggest leverage areas. Previously he worked with Coca-Cola as a Business Analyst. He holds a Master's in Computational Social Science with a focus on Organizational Dynamics.



**ABDUL AHAD**

CORPORATE FINANCE

He is a chartered accountant from A. F. Ferguson & Co. He has consulted with clients like Pakistan State Oil, Roche Pakistan Limited, Engro Polymer and Chemicals Limited, and the nation's top family businesses. His work has helped companies develop stronger financial control and governance structure and has delivered insights into improving financial health.

**FOR INQUIRIES, PLEASE EMAIL: [yameenuddin.ahmed@timelenders.com](mailto:yameenuddin.ahmed@timelenders.com)**