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SHAPING THE FUTURE OF RISK MANAGEMENT

- Anticipate, Adapt & Alleviate ..



Competing in a Global Market : Risk Management Strategies for SMEs in Malaysia



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The world in flux ...



A picture tells a thousand words

THE WORLD TODAY ..

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Climate change



Cybersecurity threats



Geopolitical tensions!!



Economic conflict



Corruption!!



Supply chain breakdown

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Our conversation ...



Talk Sequence



Taking Stock

Baselining

- The New Reality
- Big Risks Affects Everyone



Finding Your Centre

Strategic Purpose

- Embrace Risks Management
- Benchmark & Monitor



Investing in the Future

Your Immediate Role

- Reset Risks Management
- Value Creation

Setting the scene ...



Burning Questions

What scares the SMEs today ?

**How will
global shocks
translate into
my day to day
business**

**How much
risk should I
shoulder and
am I willing to
take**

**How can I stop
firefighting and
continue
running my
business**

**What
protections can
I have to mimic
the larger
corporations**

**What is my
GOVERNMENT
doing about
securing my
livelihood**

**UNKNOWNs - solutions, policies, trends
disruptions ..**

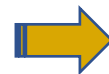
SME's nightmare ...



The new reality

- A Malaysian SME landed its largest overseas contract in USD
- The deal looked golden
- But within 60 days, tariffs shifted, the ringgit dropped, and freight costs spiked
- That deal - It went from profit to paper loss

- This isn't a case of bad business
- It's the cost of being unprotected in a volatile world



- We've taught SMEs:
 - To grow
 - To hustle
 - To scale-up
- But we haven't taught you to shield



- The next wave of growth won't come from courage alone - it'll come from structured resilience

**Because global risks don't just affect the boardroom !
They show up in your margins, in your contracts, in your inventory delays!
And they show up fast !!**

Where big risks hit small businesses

SMEs today are operating in a pressure cooker

- **Global Shock!**
- **What SMEs actually feel**

- **FX swings : Profits evaporate overnight**
- **Trade tensions : Orders delayed or cancelled**
- **ESG enforcement : Export access denied due to “missing policies”**
- **Geopolitical instability : Raw material delays, shipping cost explosions**
- **Ransomware & phishing : Days offline, reputational damage, cashflow loss**
- **Local political uncertainty : Subsidy withdrawal, investor hesitancy, regulatory fog**
- **We don't need an economist to tell us this. **Our SMEs live it - every week!****

Aren't exceptions but stark reality

Case – No 1

A furniture exporter in Johor saw profits disappear due to USD : SGD mismatch in procurement

Case – No 2

A palm oil SME lost a buyer because they couldn't prove ESG compliance - no audit trail, no traceability

Case – No 3

A KL - based tech startup, included a Singapore arbitration clause to protect enforceability in India - and saved six months of legal limbo

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Connecting the dots ...



The how & why



Bridging a Global Playbook : To a Local Practice

MNC Tools for SME Realities ..

Full ERM Frameworks = Top Active Risks Heatmap

Business Continuity Plans = 1-Pager for Critical Failures

Legal & Financial KYC = Internet Search, References, Surprise Visit

Contractual Risk Transfers = FX certainty, performance buffers

Currency Matching = Use USD earnings to pay USD bills

Trade Credit / Political Insurance = Trade-focussed protections for buyers

Corporations
have risk
departments;

SMEs have
founders

SMEs can
right-size
these
strategies

Action Time

SMES CANNOT BE SHIELDED FROM ALL RISKS

- We are here to equip you to face it on your own terms

A BUSINESS WITHOUT PROTECTION IS NOT BRAVE - IT'S EXPOSED!

- Resilience is no longer a reaction, it is an operating system

**From Intention
To Action!**

YOU DON'T NEED TO BE BIG TO BE UNBREAKABLE

- You just need to be built right

LET THE CONSULTANTS FORECAST THE STORM

- We'll help you build the roof

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Your enablers ...



The play-book : progressive responsibilities

Practice: Risk Lab

What if SMEs ran 30-minute monthly team huddles to ask two KEY questions:

- “What nearly broke us last month?”
- “What could kill us next month?”

Outcome: Builds internal risk intelligence across teams, not just leaders

The play-book : progressive responsibilities

Protect: Cashflow Kill Switch

When your cash availability dips below “x” days, trigger a preset protocol:

- Freeze non-essential expenses
- Reforecast FX exposure
- Initiate risk audit

Outcome: Turns panic into precision

The play-book : progressive responsibilities

Collaborate: P2P Risk Exchange

What if Malaysian SMEs shared real-time insights on

- Delayed customs clearances
- Supplier defaults
- Data breach attempts

Outcome: Collective resilience via local intelligence

The play-book : progressive responsibilities

Assure: Resilience as Reputation

Can SMEs publish a quarterly “risk-resilience statement” like ESG reports?

- Risk mitigations taken
- Continuity readiness
- Crisis drills conducted

Outcome: Turns preparedness into a trust signal for clients and partners

The play-book : progressive responsibilities

Ensure: Calculated Risk

How can we reframe insurance not as a safety net, but as a sales enabler?

- Trade credit cover to enter new markets
- Cyber insurance as part of RFPs
- Performance insurance for vendor credibility

Outcome: Protection promote growth-trajectory

The play-book : progressive responsibilities

PRACTICE

- Build Risk Thought into Culture

PROTECT

- Downside Management for Livelihood

COLLABORATE

- Two Heads are Better than One

ASSURE

- Localisation is Everything

ENSURE

- If you have to : Learn to Fail Successfully

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Game changer ...



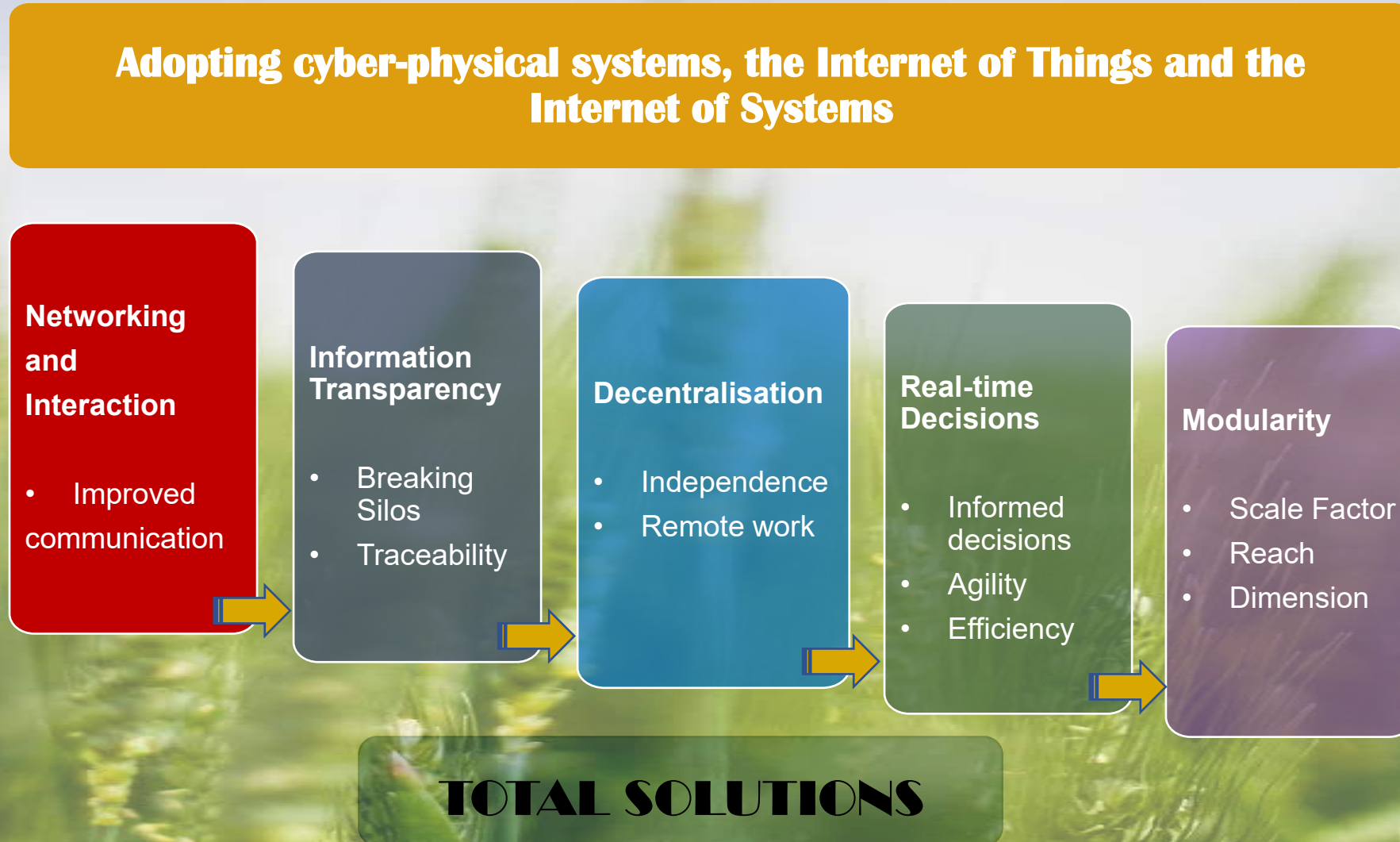
Abstract

**You do not rise to the level of your goals,
instead you fall to the level of your systems!**

Your goal is your desired outcome ..

LEVERAGE ON INDUSTRY 4.0

Principles of Industry 4.0



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End game ...



Key takeaways



**First Principles
Thinking**

Understanding yourself, your market, the industry and the interplay between all the components

**Have an End In
Mind**

Solid principles, actionable goals and specific metrics allow for a clear definition of success

**Innovation ≠
Panacea**

Stagnation is the antithesis of your relevance in the market

**Value Creation
is King**

What is considered of value will change with time, but the need for value is permanent

It's a Legacy

**Leave Behind, a BETTER & SUSTAINABLE GREEN
WORLD**

Reflections



“The greatest danger in times of turbulence is not the turbulence, it is to act with yesterday’s logic.”

-Peter Drucker

The background of the image is a solid black field. Overlaid on this field are numerous thin, vertical lines of varying heights and colors. The colors are primarily teal, purple, and yellow, with some lines appearing as thin white or light grey. These lines are distributed across the entire width of the image, creating a dense, textured effect that resembles a digital or data visualization. The lines are most concentrated in the center and right side of the image, with some lines extending from the bottom to the top of the frame.

Thank You!

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