

## **Al Jazira Group BSc, Kingdom of Bahrain**

### **Challenges**

The Al Jazira Group BSC, a family business, is mainly a food and beverages company having both Retail and wholesale distribution business in the Kingdom of Bahrain. It started with a single retail outlet around 50 years back and by the time FINTEQ got involved as management consultants during 2014 it had seven Supermarkets and exclusive distribution of more than 30 international brands. Though its business was up and running it carried a baggage of huge accumulated losses eroding its net worth. The company lacked good governance and was profitable not enough to wipe out its baggage.

### **Strategy & Execution**

FINTEQ started its journey as management consultants to the company around 2014. In the operation level, it began by carrying out a Skill Gap analysis of its entire staff, revised the responsibility and reporting structure. FINTEQ through its recruitment division assisted in recruitment of key managerial positions as per revised organogram with professionals of qualification and experience and replacements wherever necessary as well as identifying redundancies, with an aim of implementing lean management. FINTEQ also introduced position-based gradation structure in line with the competition and implemented a Performance evaluation system for its staff which reduced discrimination and rewarded excellence.

FINTEQ reviewed the existing Enterprise Resources software and suggested changes and monitored implementation to make it truly integrated with all its functional systems including Sales, procurement including imports, inventory, warehouse management, HR and administration management, financial statements, and MIS. It used Theory of Constraints at every level, to provide division wise, store wise, product category wise costing and profitability. This helped identifying bottlenecks the removal of which enhanced profitability as a whole and pinpointed divisions which required attention to improve and reduce wastages.

In order to improve governance of the company and introduce real professionalism, FINTEQ assisted the development of governance and responsibility accounting by developing structured Policy and procedural manuals like the corporate governance manual, HR & Administration manual, Procurement manual, Sales and distribution manual, Retail Operations manual, warehousing and Logistics manual and Finance and Accounts manual. This helped in standardizing the processes to improve efficiency and productivity.

In the strategic level, FINTEQ assisted in vertical and organic growth of the company by evaluating prospects and thereby adding stores in the Retail sector and addition of new brands in the distribution sector. FINTEQ developed medium term Strategic plans for implementation for such growth and its impact on improving its cash flows, net worth, and strained accumulated losses. FINTEQ started providing quarterly corporate performance reports to the Board as well as to executive management to highlight areas of improvement, reduce wastage, and improve revenues, category wise, store wise, division wise and

company. FINTEQ also assisted in developing detailed annual Budgets and budgetary control exercises, monitor variances, suggest areas of improvements on a quarterly basis. In addition, started assisting Key performance indicator basis and task and Target basis monitoring system of its key management positions. FINTEQ also encouraged unlocking potential in other diversified areas like bakery and travel and tourism to expand its revenue and profitability. It also assisted in its Branding strategy and presence in all promotional spheres including the social media.

### **How it helped**

With its long association of more than 8 years, FINTEQ has been successful in installing a professionally managed, growth and profit oriented sustainable business, by providing right advise at the right time and by continuous monitoring. It saw the company with seven retail outlets and distribution of 30-35 international brands during 2014 to grow into more than 15 Retail outlets and more than 60 international brands for distribution. It saw its turnover and profitability rise by over 2 times in these 8 years. Because of all the lean management exercises, revenue expanding strategies, installing good governance assisted by FINTEQ and implemented by the management, the companies Net worth improved drastically and its brand image improved in the country as a force to be reckoned.