1.0 Introduction

All organizations have a strategy – a general direction in which they are moving – but not all have plans and a strategic planning system. Thus, the need for an explicit strategy, plans and a Strategic Planning Systems must be demonstrated.

A single individual who can visualize a few variables that influence a situation can synthesize changes that are simple to interpret. This would require no formal planning. But problems that are more complex and interrelated in today’s dynamic world need more formal planning. This is beyond the capacity of an individual to identify and evaluate. Therefore the need for an organized process through which strategic decisions can be systematically and rationally analyzed and made. It would be evident that such an organized process requires commitment and resources by top management in order to bear any foreseeable benefit

This report will show how the CEO/MD of companies Process Control Automation Industry in Malaysia organize their strategic Planning processes and activities and go further to investigate its objectives.
1.1 Purpose and Significance of the Study

The following propositions were studied.

Proposition 1

The CEOs of small companies usually organize their strategies in a more informal manner. They envisage such strategies continuously.

Proposition 2

In some formal organized strategic planning functional department, the CEO often heads key areas close to his field of expertise.

Proposition 3

CEOs take personal interest in financial performance of their company, as results are key indicators of their stewardship as a CEO even though their background may not necessarily be in the same area.
1.2 **Scope of the Study**

The study will be conducted for a particular supply chain involving companies in the Process Control Automation Industry in Malaysia. It shall cover a complete range of companies that are involved in the delivery of a typical PCA project in Malaysia.

1.3 **Limitation of the Study**

The study was conducted only on companies involved in a typical process control automation industry. The results obtained cannot be taken to cover all industries in Malaysia. It is expected that an extensive study to research the many industries in Malaysia is beyond the capabilities of one researcher. The key to this research is to find how CEO/MD organize their strategic planning functions. Their response often surrounds the way their companies are doing business and some areas of confidentiality were not revealed. Such constraints and interpretation of the researcher often affects the quality of findings from the study.

As direct interviews were done with key interviewees solely there is always the risk of response bias and interviewer bias. Coding of the response is also an area of concern to correctly interpret the findings as they were in case forms.

Also similar area of study is found to be little if not available in the same area. The various studies and literature found were on the importance of strategic planning and the need for formal planning.