Stop being the engine.
Become the architect.

Most Malaysian businesses stay small for one reason: the owner is the system. When the owner steps away, sales slow, quality slips and cash gets tight.

This book gives you a proven way out: ten stages, forty modules and a twelve-component Business Operating System, each stage ending in evidence from your own business, not theory.

- Take the 15-minute Owner Health Check and find your starting point
- Use Malaysian tax, payroll, SSM and funding facts checked in November 2026
- Fill in eight photocopiable worksheets: cash forecast, scorecard, SOP and more
- Pass the absence test: a week away with cash, quality and complaints in standard

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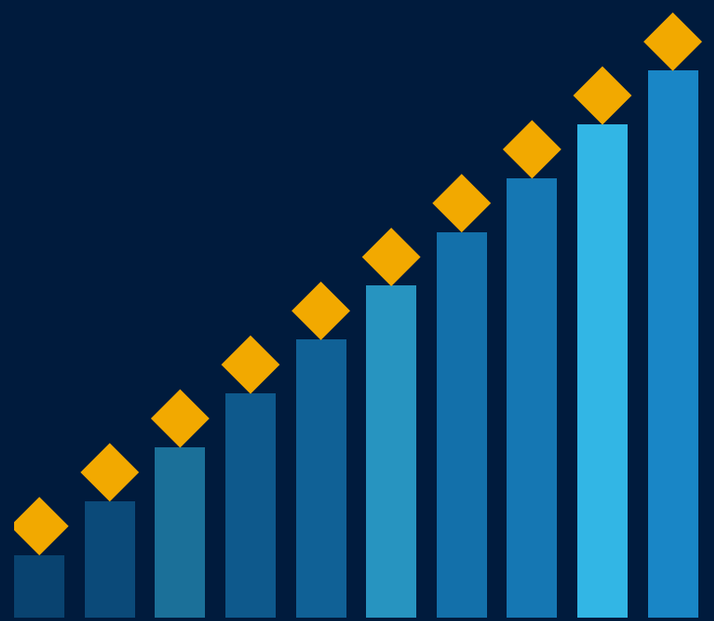
HOW TO BUILD A COMPANY THAT RUNS ITSELF SAIF MUHTAR

A BUSINESS OPERATING SYSTEM BLUEPRINT

How to Build a Company that Runs Itself

From idea to independent enterprise: ten stages, forty modules and a twelve-component operating system for Malaysian business owners.



Saif Muhtar
Founder and CEO, RumahHQ Development Sdn Bhd

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How to Build a Company that Runs Itself
A Business Operating System blueprint for Malaysian SMEs

First print edition, version 2.0 · November 2026

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BEFORE YOU BEGIN

How to use this book

> *This book teaches one thing: how to build a company that keeps selling, delivering, collecting cash and improving while its owner is not in the room.*

You do not need to read it from the front to the back. Use the table below to find your starting point, then take the **15-minute Owner Health Check** on the next pages. Your score tells you which stage to open first.

Which reader are you?

You are…	Start with	Your first goal
Thinking about starting a business	Part 1, then Stage 1	Choose an opportunity you can afford to test, and write down the limits on money and time you will risk.
Trading, but stuck firefighting every day	Health Check, Part 1, then the stage your score points to	Get cash, quotations and follow-ups out of your head and onto paper.
Established, but the business stops when you leave	Health Check, then Stage 7 to Stage 9 and Part 4	Pass a one-week absence test with cash, quality and complaints inside standard.
A coach, trainer or adviser	Part 7 (Teaching the programme)	Use the book as the master syllabus for a 12-month programme.

THREE RULES THAT RUN THROUGH EVERY PAGE

Evidence over attendance. Nobody moves to the next stage because they finished the lessons. They move because the gate evidence exists inside their own business.

System over heroics. Every recurring problem is fixed twice: once for the customer today, and once in the process so it does not happen again.

Simple over complete. A scorecard of eight numbers reviewed every week beats a forty-KPI dashboard nobody opens. Install the minimum that works, then improve it.

How every module is laid out

Each of the 40 modules gives you the same four things, so you always know what to do next: an **Outcome** (the result you will have), the working points, an **assignment** to complete in your own business (never a hypothetical case), and a **CEO tip** from operators who have made the mistake already. Each stage ends in an **evidence gate**: you move on because the evidence exists in your business, not because you finished reading.

START HERE

The 15-minute Owner Health Check

> *Twelve questions, one for each component of a Business Operating System. Be honest. A low score is not a failure; it is a map.*

For each row, circle the number that matches what is **true today, with evidence**, not what you intend to do. Use the scale in the box. If you cannot show a document, a record or a person who does it without you, score no higher than 2.

SCORING SCALE

0 Absent: nothing written; I decide in the moment. **1** Aware: I know what it is and tried it once. **2** Installed: it exists but is used irregularly. **3** Practised: used on schedule for 12 weeks. **4** Owned: my team maintains and improves it. **5** Self-running: it works when I am away.

#	Component and question	Score 0–5	If low, open
1	**Strategy & vision** Can every staff member say where we are going and what matters this quarter?	0 1 2 3 4 5	Stage 1 and Stage 2
2	**Commercial model** Do I know my price, my margin per job and my best-selling offer?	0 1 2 3 4 5	Stage 2 and Stage 4
3	**Organisation** Does each key outcome have one named owner with matching authority?	0 1 2 3 4 5	Stage 7
4	**Growth** Do enquiries arrive from a known channel and get followed up on a schedule?	0 1 2 3 4 5	Stage 5
5	**Fulfilment** Is the way we deliver written down and followed without me checking?	0 1 2 3 4 5	Stage 6
6	**Customer success** Are complaints logged, fixed and fed back into the process?	0 1 2 3 4 5	Stage 6

#	Component and question	Score 0–5	If low, open
7	**Finance** Do I have a 13-week cash forecast and approval limits that staff follow?	0 1 2 3 4 5	Stage 3 and Stage 4
8	**People** Are roles, onboarding and training written down for every seat?	0 1 2 3 4 5	Stage 7
9	**Information & technology** Is there one place where customers, jobs and money are recorded?	0 1 2 3 4 5	Stage 8
10	**Governance & risk** Is there a compliance calendar, a risk list and signed contracts?	0 1 2 3 4 5	Stage 3 and Stage 9
11	**Execution rhythm** Do we hold a weekly meeting that ends with owned actions and a scorecard?	0 1 2 3 4 5	Stage 8
12	**Improvement & succession** Could someone run the business for a month if I were away?	0 1 2 3 4 5	Stage 9 and Stage 10

Add up your twelve scores **Total _____ / 60**

Total	What it means	What to do this month
0–15	The business lives in your head. Every day depends on you.	Read Part 1. Take Stage 3 and Stage 4 first: get the legal and cash basics in place. Start the Founder Intervention Log (Form 8).
16–30	Some tools exist, but nothing runs on schedule without you.	Pick your two lowest scores and open those stages. Start the weekly meeting and scorecard (Forms 3 and 6).
31–45	A working system with gaps. Your team can run routine work.	Go to Stage 8 and Part 4. Run the 90-day sprint and the first absence test.
46–60	A company close to running itself. Protect it.	Work through Stage 9 and Stage 10. Test it with a two-week absence.

DO THIS NEXT

1. Circle your two lowest scores. Those are your first two stages.
2. Write today's total in the margin and the date. Repeat the check every 90 days; the trend matters more than the number.
3. Ask one trusted manager or partner to score you independently. Where you differ by two points or more, you have found a blind spot.

PART

1

The idea

A company that runs itself is not a company without an owner. It is a company where the owner's judgment has been built into people, processes, numbers and routines.

1 What 'a company that runs itself' really means
2 Why most Malaysian businesses never get there
3 The Business Operating System

CHAPTER 1

What 'a company that runs itself' really means

> *A business runs itself when routine sales, delivery, customer service, finance administration and people management continue through capable people, clear processes, reliable information and defined decision authority, while the owner provides direction and oversight.*

The owner does not disappear. They stop being the engine and become the architect and the governor. They still decide strategy, major capital commitments, senior appointments, risk appetite and the long-term ownership path. Directors and owners also keep their legal duties under the Companies Act 2016, tax law and employment law. What changes is that the business no longer needs their hands on every quotation, every site, every payment and every complaint.

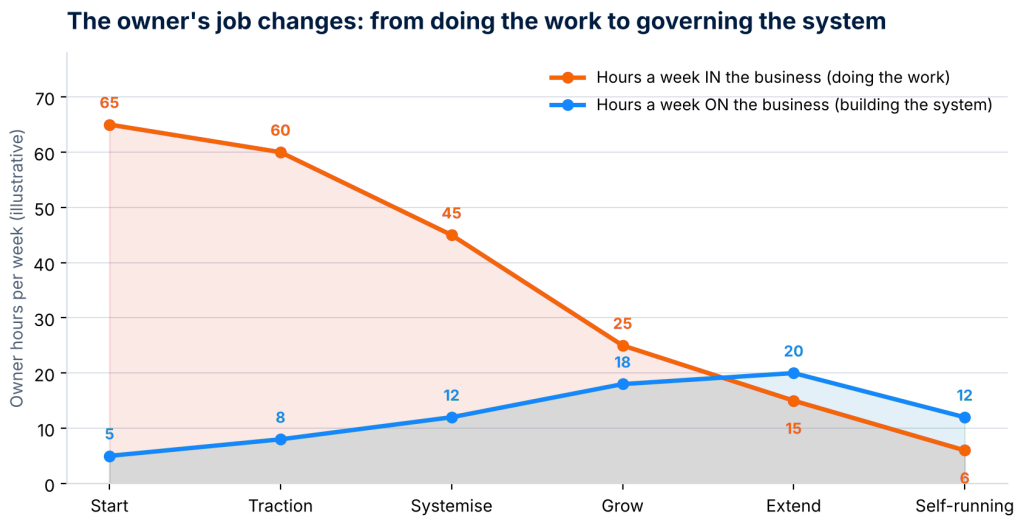

Figure 1. Illustrative shift in owner hours as the BOS matures

Five things are true in a self-running company

1. **Direction is written and shared.** Everyone can say where the company is going, who it serves, and what matters this quarter.

2. **Every important outcome has one owner.** Seats are defined by function, each seat has a scorecard, and authority matches responsibility.

3. **The numbers are visible every week.** Leading indicators show trouble before it reaches the bank balance.

4. **The core work is documented and followed by all.** New people can learn it; mistakes become process improvements.

5. **A fixed meeting rhythm surfaces and solves problems** without the founder chairing or rescuing.

Myths that keep founders stuck

Myth	Reality
'If I want it done right, I must do it myself.'	If only you can do it right, the business has a process problem, not a people problem. Document the standard, train to it, and check the evidence.
'Systems are for big companies.'	Systems matter most in small companies, where one sick employee or one late payment can stop everything.
'Software will systemise my business.'	Software speeds up whatever process you already have. Automating a broken process only produces mistakes faster.
'Running itself means passive income.'	It means the owner works on direction, people and capital instead of daily operations. Governance is still work.
'I will systemise when I am bigger.'	Every month you postpone, more undocumented habits form. Start with a weekly scorecard at three employees.
'My staff are not capable enough.'	Often they have never been given a clear standard, authority and feedback. Test that before concluding the people are wrong.

CHAPTER 2

Why most Malaysian businesses never get there

> *Malaysia has almost 1.3 million MSMEs, 96% of all businesses, but more than 77% are still micro enterprises and only 1.1% have reached medium size.*

MSMEs contributed 39.7% of GDP and 48.7% of employment in 2025, according to the Department of Statistics Malaysia. The sector is large and resilient, but very few firms graduate from micro to small and from small to medium. Under SME Corp's definition a micro enterprise has sales below RM300,000 or fewer than 5 full-time staff, so the typical Malaysian business is still, in practice, one owner and a handful of helpers.

The barrier is rarely the product. It is the founder trap: the owner is the best salesperson, the best technician and the only approver, so they have no time to build the system that would let others do the work. Because no system exists, quality slips whenever they step away, which convinces them to step back in.

The founder trap, and the exit from it

Left: the loop that keeps 77% of Malaysian MSMEs micro. Right: the BOS loop that breaks it.

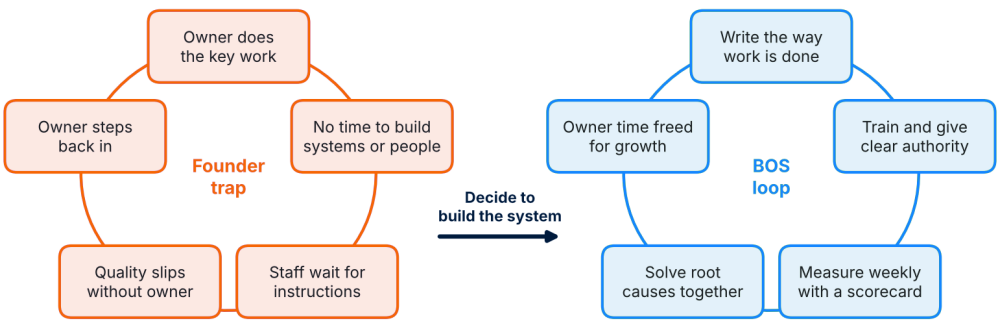

Figure 2. The founder trap loop versus the BOS loop

Seven root causes we see repeatedly

Root cause	How it shows up	BOS response
No written direction	Staff guess priorities; the owner changes direction weekly	Vision and 90-day priorities (Strategy component)
Owner is every seat	Owner works 70 hours; decisions queue on WhatsApp	Accountability chart and decision rights
Knowledge lives in one head	Only the owner can price, quote or solve technical issues	SOP library, pricing rules, training and competency checks
No weekly numbers	Cash problems discovered at month-end or when the bank calls	Weekly scorecard and 13-week cash forecast
Mixed money	Personal and business spending blur; profit is unknown	Separate accounts, Profit First allocation, monthly accounts
Firefighting culture	Same problems recur; meetings are complaints without decisions	Issues list, root-cause solving, weekly leadership meeting
Growth before readiness	A second branch or big contract breaks the first	Expansion readiness test and pilot discipline

CHAPTER 3

The Business Operating System

> *A Business Operating System (BOS) is the company's agreed way of setting direction, assigning responsibility, doing the work, making decisions, managing money and risk, measuring performance, solving problems, preserving knowledge and improving over time.*

Like a computer's operating system, it sits underneath every application (sales, operations, finance, HR) and makes them work together predictably. Most Malaysian SMEs already have an operating system; it is simply undocumented and lives in the owner's head and WhatsApp groups. The work of this blueprint is to make it explicit, simple and owned by the team.

BOS = Direction + People + Processes + Information + Controls + Management Discipline + Technology

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Software supports parts of the BOS, but the BOS itself is made of decisions, responsibilities, behaviours and routines. A business with excellent software and no weekly meeting does not have a BOS. A business with a whiteboard scorecard reviewed every Monday does.

The 12 components

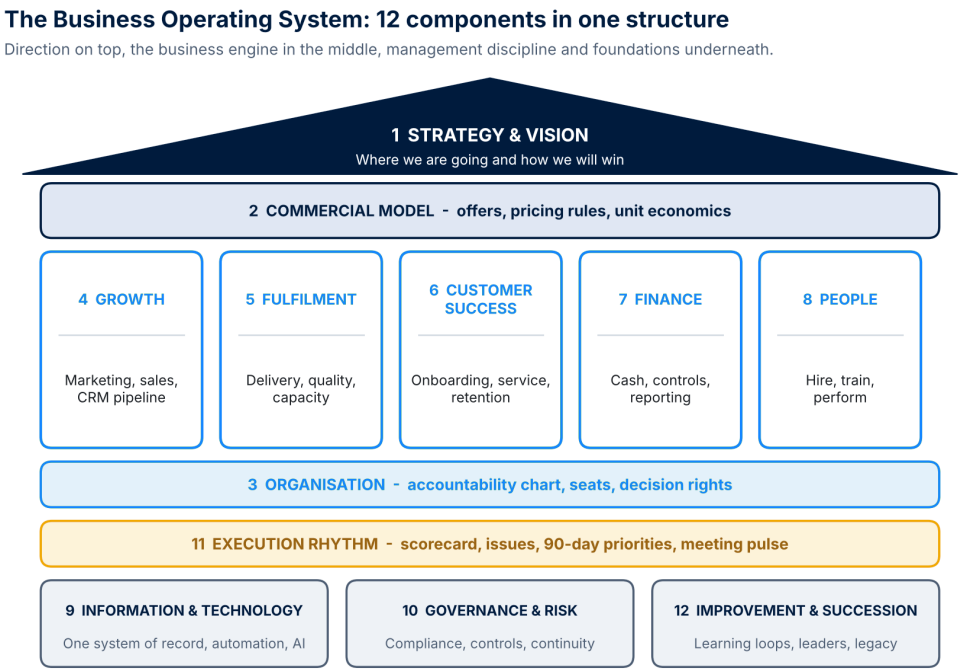


Figure 3. The BOS house: 12 components in one structure

#	Component	Question it answers	Essential outputs	Installed in stage
1	Strategy & vision	Where are we going and how will we win?	Core values, core focus, 10-year target, 3-year picture, 1-year plan	1 (draft), 8 (full)
2	Commercial model	How do we create and capture value?	Offer catalogue, pricing rules, unit economics	2, 4
3	Organisation	Who owns each outcome?	Accountability chart, seat scorecards, decision rights matrix	7
4	Growth	How do customers find and buy from us?	Marketing plan, CRM pipeline, sales standards	5
5	Fulfilment	How do we deliver the promise?	Delivery workflows, capacity plan, quality criteria	6
6	Customer success	How do we keep trust and resolve issues?	Onboarding, communication, complaints and warranty process	5, 6
7	Finance	How do we protect profit and liquidity?	Accounts, budget, 13-week cash forecast, approval controls	3, 4

#	Component	Question it answers	Essential outputs	Installed in stage
8	People	How do we hire, train and keep capability?	Hiring, onboarding, training matrix, performance routine	7
9	Information & technology	Where is reliable information recorded?	System of record, data definitions, access rules, automations	8
10	Governance & risk	What must be controlled and escalated?	Compliance register, risk register, contracts, continuity plan	3, 9
11	Execution rhythm	How do plans become completed actions?	Scorecard, issues list, 90-day priorities, meeting pulse	5 (lite), 8 (full)
12	Improvement & succession	How does the business improve and endure?	Improvement backlog, change control, leadership pipeline, succession plan	9, 10

Table 2. The 12 BOS components

Where the BOS comes from

The BOS stands on the shoulders of proven management systems and adds what Malaysian SMEs need most: cash discipline, compliance, technology and a tested path to founder independence. The table shows what is borrowed and what is added.

Framework	Core idea	What the BOS borrows	Gap the BOS fills
EOS / Traction (Gino Wickman)	Six components: Vision, People, Data, Issues, Process, Traction	Vision organiser, accountability chart, scorecard, issues solving, 90-day rocks, weekly meeting	Cash, compliance, technology and AI, absence testing
Scaling Up (Verne Harnish)	People, Strategy, Execution, Cash	One-page strategy, cash conversion cycle, priorities	Simpler tools for micro and small firms
The E-Myth (Michael Gerber)	Work ON the business; build the franchise prototype	Turnkey thinking: every process teachable	An execution rhythm to make it happen weekly
Lean Startup (Eric Ries)	Validate with experiments before building	Stage 2 validation methods and evidence gates	Everything after product-market fit
Profit First (Mike Michalowicz)	Allocate cash to accounts before spending	Bank-account allocation for tax, owner pay, profit, zakat	Wider management system
OKRs (Intel, Google)	Ambitious, measurable objectives	Measurable definition of priorities	Avoids over-engineering in small teams

HOW THE 12 COMPONENTS MAP TO THE EOS SIX

Vision = Strategy (1) + Commercial model (2). People = Organisation (3) + People (8). Data = the scorecard inside Execution (11) + Finance (7). Issues = issues solving inside Execution (11). Process = Growth (4), Fulfilment (5), Customer success (6). Traction = Execution rhythm (11).

The BOS adds Information & technology (9), Governance & risk (10) and Improvement & succession (12) as explicit components, because these are where Malaysian SMEs most often fail an audit, a bank review or a buyer's due diligence.

BOS maturity: the diagnostic every participant takes

Score each of the 12 components from 0 to 5 at entry and every quarter afterwards. The **lowest** score, not the average, decides the next priority, because a company is only as independent as its weakest component.

Level	Name	What it looks like	Evidence a coach checks
0	Absent	Nothing written; the owner decides in the moment	No document exists
1	Aware	The owner knows the tool and tried it once	A draft or template, unused
2	Installed	The tool exists but is used irregularly	Records with gaps of weeks
3	Practised	Used on schedule by the leadership team without reminders	12 consecutive weeks of records
4	Owned	Team members maintain and improve it; new hires are trained on it	Version history shows changes by staff, not owner
5	Self-running	Runs and improves without the founder; survives a key-person change	Passed an absence test covering this component

Table 3. BOS maturity scale

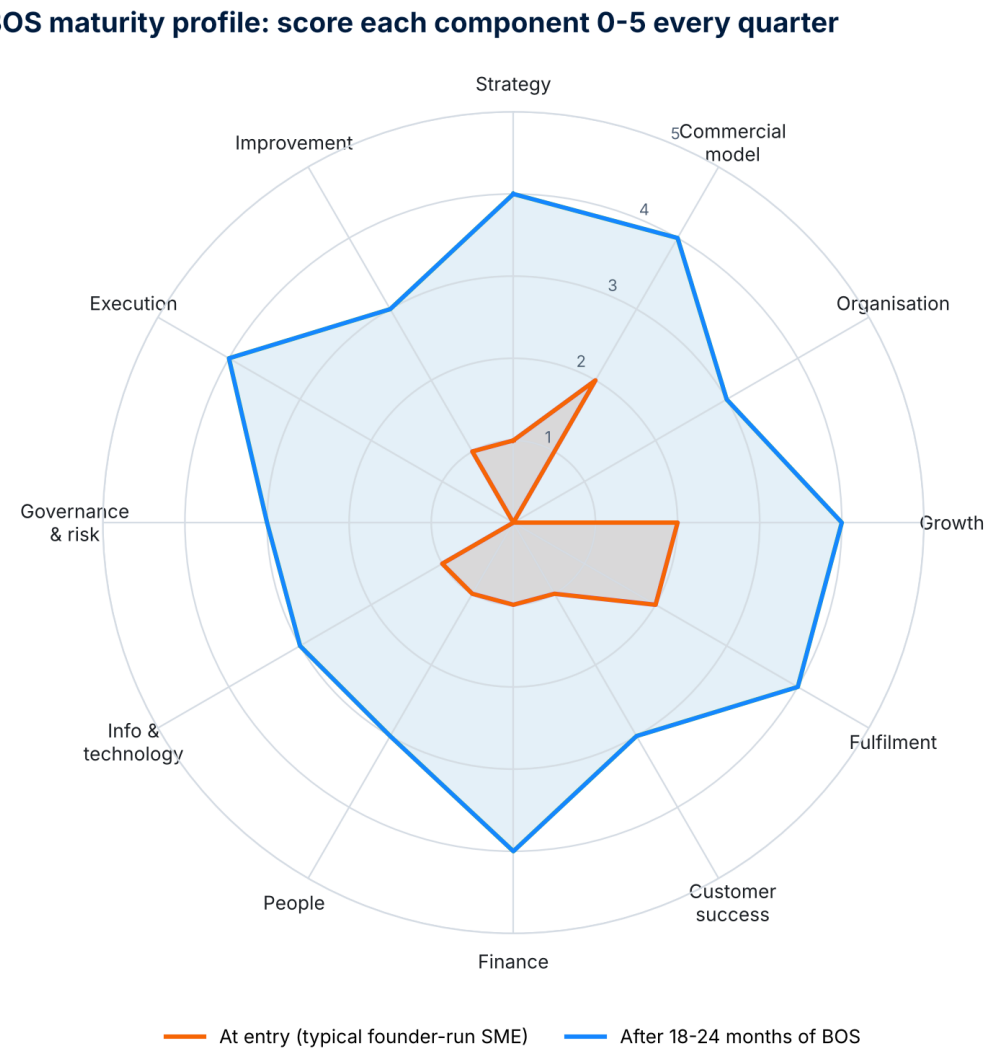


Figure 4. Example maturity profile before and after BOS implementation

Ten design principles for a BOS that actually gets used

1. **Install in order.** Rhythm and scorecard first, vision second, processes third, automation last.
2. **One owner per outcome.** Shared ownership is no ownership.
3. **Write the 20% that drives 80%.** Document the steps that protect cash, quality, safety and customer promises; skip the obvious.

4. **Evidence, not opinion.** Every process ends in a record that proves it was done.

5. **Authority travels with responsibility.** A task delegated without decision rights comes back to the owner.

6. **Leading before lagging.** Measure the activities that create results, not only the results.

7. **Fix the system, not the person,** unless the same person fails a clear, trained standard repeatedly.

8. **Use the team's language.** Teach the tools in Bahasa Malaysia and English; the words people use daily are the words that stick.

9. **Make problems safe to raise.** An empty issues list means hidden problems, not a perfect company.

10. **The owner obeys the system too.** If the founder skips the meeting or overrides decisions informally, everyone else will.

PART

2

The journey: ten stages, forty modules

Each stage answers one question the entrepreneur is facing, installs one more layer of the BOS, and ends with an evidence gate.

4 The journey at a glance
S1 Founder readiness and business selection
S2 Customer discovery and opportunity validation
S3 Establishment, compliance and launch
S4 Financial viability and cash control
S5 Marketing and repeatable sales
S6 Reliable delivery and customer experience
S7 People, leadership and delegation
S8 Install the full Business Operating System
S9 Founder independence and continuity
S10 Expansion, renewal and long-term ownership

CHAPTER 4

The journey at a glance

> *The journey takes the entrepreneur from 'What business should I choose?' to 'Can it grow without me every day?' in ten stages, grouped into four movements: start right, make it work, make it repeatable, and make it independent.*

The journey: ten stages, each ending in an evidence gate

Move forward only when the gate is passed. Existing businesses enter after a diagnostic.

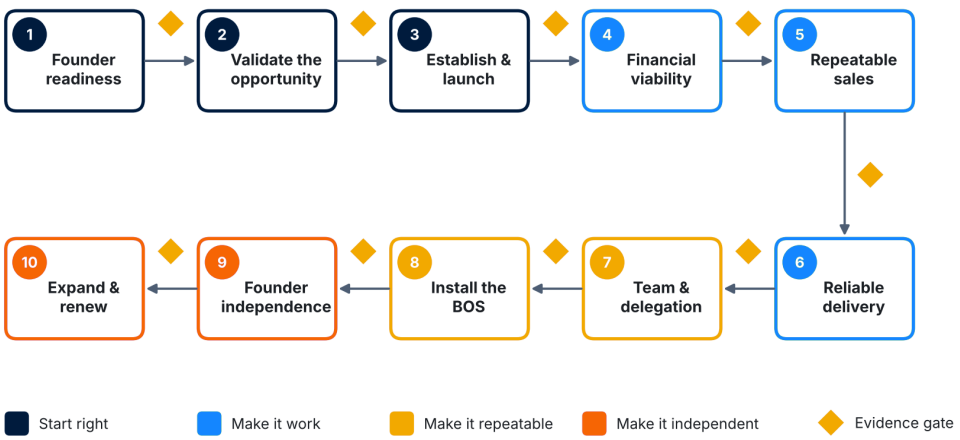


Figure 5. The ten-stage journey with evidence gates

Stage	Main question	Owner's main job	BOS layer added	Typical size	Gate evidence
1 Founder readiness	What business should I build?	Prepare self, money, family	Personal vision, runway	Pre-revenue	Runway plan, selected opportunity, limits set
2 Validate	Will customers pay?	Find paying demand	Commercial model draft	Pre-revenue	10+ paying or committed customers
3 Establish & launch	How do I start correctly?	Register, contract, launch	Compliance register, basic finance	First sales	Legal entity, bank account, first invoices

Stage	Main question	Owner's main job	BOS layer added	Typical size	Gate evidence
4 Financial viability	Can it make and keep money?	Price, cost, forecast cash	Finance component	Up to RM300k	Positive unit economics; 13-week forecast in use
5 Repeatable sales	Can I win customers repeatedly?	Build the sales engine	Growth + scorecard + weekly meeting	RM300k-1m	One channel with known cost and conversion
6 Reliable delivery	Can we keep our promises?	Standardise delivery	Fulfilment + customer success	RM300k-3m	On-time and quality measured weekly
7 Team & delegation	Who can own the work?	Hire, train, delegate	Organisation + people	RM1m-5m	Key work done without rescue
8 Install the BOS	Does the company work as one system?	Integrate and run the rhythm	Full BOS	RM1m-10m	12 weeks of rhythm; reliable dashboard
9 Founder independence	Can it run without me?	Govern, not operate	Governance + continuity	Any size	Two-week absence test passed
10 Expand & renew	How do we grow and endure?	Allocate capital, plan succession	Improvement + succession	RM10m+	Profitable second unit or market; succession plan

Table 4. The ten stages. Revenue bands are indicative, not rules.

The sequence is a backbone, not a cage. Compliance preparation starts during validation; financial controls start before the first sale; process notes start with the first delivery. Existing businesses take the BOS diagnostic and enter at the stage the evidence shows, not the one the founder hopes for. Businesses also slide back a stage after a shock, such as a key person leaving or a large client going, so the diagnostic is repeated every quarter.

How every module is built

Element	Purpose
Outcome	The capability the participant will have, stated as a result

Element	Purpose
Concepts and worked example	The minimum theory, shown on a realistic Malaysian case
Demonstration	The trainer performs the task live (pricing a job, running a meeting, writing an SOP)
Assignment	Applied to the participant's own business, never a hypothetical
Template	A reusable tool the participant keeps in their BOS portfolio
Evidence review	A mentor checks the artefact and the decision it led to
CEO tip	The practical lesson that experienced operators learned the hard way

Learning cycle for every module: **Learn > Demonstrate > Apply > Review evidence > Correct > Repeat.**

STAGE 1 OF 10 · START RIGHT

1 Founder readiness and business selection

What business should I build?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Prepare self, money, family	Personal vision, runway	Pre-revenue

A business inherits its founder's habits, finances and blind spots. Stage 1 prepares the person before the company, then chooses an opportunity with eyes open.

MODULE 1 Entrepreneurial objectives and personal readiness

OUTCOME **Decide what the business must achieve for the founder, and what the founder can afford to risk.**

- Write the 'why' and the exit picture: income, lifestyle, hours, impact, and whether you plan to keep, pass on or sell.
- Personal financial audit: fixed commitments (housing, car, PTPTN, family support), consumer debt, CCRIS/CTOS standing.
- Runway: 6-12 months of household expenses in cash, or a part-time bridge while validating.
- Skills audit: rate selling, numbers, operations, people leadership and craft from 1-5; the two lowest become first hires, partners or training.
- Family agreement: money at risk, hours, and a stop-loss point.
- Choose the entry route: part-time start, full-time launch, partnership, buying an existing business or a franchise.

YOUR ASSIGNMENT
Founder Readiness Profile, personal runway calculation and family agreement.

CEO TIP
Keep your employment-era EPF untouched as a retirement floor. Founders who drain it to fund a business carry two risks at once.

MODULE 2 Understanding business models

OUTCOME **Understand how different models earn revenue, consume cash and scale.**

- Service, retail, e-commerce, manufacturing, distribution, subscription, licensing, franchise and project businesses.

- B2C, B2B and B2G (government) customers, and their very different payment cycles.
- Labour-intensive versus capital-intensive; inventory, receivables, deposits and progress claims.
- One-off sales versus recurring revenue; which models can eventually run without the founder's craft.

YOUR ASSIGNMENT
Compare three models against your objectives, capital and skills.

CEO TIP
Recurring revenue only creates value when customers stay, delivery is profitable and collection is reliable.

MODULE 3 Choosing and scoring opportunities

OUTCOME **Select an opportunity through structured comparison, not passion alone.**

- Generate options from three lists: problems you have suffered, assets you own (skills, licence, network, land), and Malaysian tailwinds (ageing population, halal and Muslim-friendly products, SME digitalisation and AI, solar and green energy, logistics, home improvement, education).
- Score each on urgency, ability to pay, founder fit, gross margin, repeatability, systemisability, capital needed, regulatory barrier and scale path.
- Identify 'fatal flaws' that no total score can offset: inaccessible customers, unaffordable capital, licences you cannot obtain.

YOUR ASSIGNMENT
Opportunity Scorecard with evidence behind every score.

CEO TIP
Ask 'Could a trained person deliver this without me?' If the answer is never, you are building a job, not a company.

MODULE 4 Founder discipline and decision-making

OUTCOME **Install productive habits before complexity arrives.**

- Weekly priorities and protected time for selling, learning and thinking.
- Experiment budgets and deadlines; rules to continue, change or stop.
- A decision journal reviewed quarterly.
- Ethics and Shariah boundaries written in advance: halal sourcing, riba-free financing preference, zakat on business wealth, honest marketing.
- Partnership expectations: roles, capital, decisions, exit.

YOUR ASSIGNMENT

Founder Working Agreement and 90-day learning plan.

CEO TIP

Write ethical boundaries before money pressure arrives. Lines drawn in calm weather hold in the storm.

EVIDENCE GATE 1

You may move on when…

The founder has a selected opportunity, a personal runway, family agreement, and written limits on money and time at risk.

STAGE 2 OF 10 · START RIGHT

2 Customer discovery and opportunity validation

Will customers pay?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Find paying demand	Commercial model draft	Pre-revenue

Validate with money, not compliments. By the end of Stage 2 the founder holds evidence that a specific customer will pay a specific price for a specific offer.

MODULE 5 Customer research and market understanding

OUTCOME **Identify a specific customer and a problem worth solving.**

- Segment by situation, need, behaviour and ability to pay; separate users, decision-makers, influencers and payers.
- Run 20-30 problem interviews about past behaviour and actual spending, in the customer's language.
- Mystery-shop five competitors: price, promise, speed, reviews, weaknesses (Google reviews, marketplace ratings, Facebook groups).
- Size the market bottom-up: reachable customers x purchases per year x price.

YOUR ASSIGNMENT
Interview log and evidence summary.

CEO TIP
Ask 'What did you do the last time this happened?' before 'Would you buy my solution?'

MODULE 6 Designing and testing the offer

OUTCOME **Turn insight into a testable offer with clear success and failure criteria.**

- Value proposition, deliverables, exclusions, timing, price and customer responsibilities.
- Minimum viable offer: landing page, WhatsApp catalogue, demonstration, pilot or pre-order.
- Distinguish interest, qualified demand and paid demand.
- Register the business before trading; pilots are still trading.

YOUR ASSIGNMENT
Design and run one validation experiment with a budget and a deadline.

CEO TIP
A paid pilot is strong evidence; one friendly customer is not a market.

MODULE 7 Business model and competitive strategy

OUTCOME Explain why this business should win and stay viable.

- Business Model Canvas: segment, value, channels, relationships, revenue, resources, activities, partners, costs.
- Differentiation through specialisation, convenience, reliability, service or expertise; your three 'uniques'.
- Dependencies on suppliers, platforms, individuals or licences, and how competitors will respond.
- Choose 'niche first': one segment, one district, one urgent problem.

YOUR ASSIGNMENT
Business Model Canvas and one-page competitive strategy.

CEO TIP
Boring and needed beats exciting and optional. Maintenance, compliance and staple B2B services survive downturns.

MODULE 8 Validation decision and unit economics

OUTCOME Decide go, revise or stop on evidence.

- Review demand evidence, price acceptance, delivery feasibility and acquisition effort.
- First unit economics: price, delivery cost, gross margin, customer acquisition cost (CAC), lifetime value (LTV), payback.
- Targets: gross margin of at least 40% for services and 25-35% for trading; LTV:CAC of at least 3:1.
- Write the first lines of the vision: core focus, 10-year target, three uniques.

YOUR ASSIGNMENT
Validation report with a go, revise or stop decision.

CEO TIP
Stopping a weak idea early is a success. The most expensive businesses are the ones that limp for three years.

EVIDENCE GATE 2

You may move on when…

At least 10 paying or written pre-committed customers for one defined offer, unit economics that work on paper, and a go decision.

STAGE 3 OF 10 · START RIGHT

3 Establishment, compliance and launch

How do I start correctly?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Register, contract, launch	Compliance register, basic finance	First sales

Start legally clean, financially separated and compliant from the first invoice, then launch within 90 days.

MODULE 9 Entity, ownership and governance

OUTCOME **Choose a structure that fits liability, tax, funding and exit plans.**

- Sole proprietorship (RM30-60 a year), partnership, LLP or Sdn Bhd (about RM1,010 to incorporate plus company secretary and audit). See Part 5.
- Liability, tax treatment, administration and credibility with banks, panels and corporate buyers.
- Founder contributions, equity split, vesting, shareholder or partnership agreement, deadlock and exit clauses.

YOUR ASSIGNMENT
Entity decision brief and ownership agreement checklist.

CEO TIP
Start as an enterprise to validate; convert to Sdn Bhd once profit is consistent, contracts carry liability, or panels and banks require it.

MODULE 10 Licensing and compliance management

OUTCOME **Know every obligation that applies to your actual business.**

- Separate registration (SSM) from licensing (PBT premises and signboard, sector licences such as CIDB, halal, food handling, Bomba).
- Employment, OSH, consumer protection and personal data protection duties.
- State differences, including separate requirements in Sabah and Sarawak.
- A compliance register: obligation, owner, due date, evidence, renewal reminder.

YOUR ASSIGNMENT
Compliance Register for your business.

CEO TIP
Put every renewal date in a shared calendar with a reminder one month before. Penalties are always more expensive than diaries.

MODULE 11 Contracts, IP and commercial protection

OUTCOME Make commercial responsibilities clear before disputes happen.

- Quotation, acceptance, scope and exclusions, payment terms and milestones, variations, warranties, cancellation and disputes.
- Supplier and subcontractor agreements; confidentiality and ownership of work.
- Trademark search and registration with MyIPO before investing in the brand.
- Customer data collection and consent.

YOUR ASSIGNMENT
Contract checklist and templates prepared for professional review.

CEO TIP
Most SME disputes start with an undefined scope. Write exclusions as carefully as inclusions.

MODULE 12 Practical launch setup

OUTCOME Be ready to take, deliver and collect on the first orders.

- Business bank account opened the same week as registration; Profit First allocation accounts.
- Cloud accounting that is MyInvois-ready, receipt capture and document storage.
- Business email, domain, Google Business Profile, WhatsApp Business catalogue, one social channel, one-page website.
- Order capture, onboarding, invoicing and collection steps; launch budget and contingency.

YOUR ASSIGNMENT
Launch rehearsal: one transaction from enquiry to recorded payment.

CEO TIP
Write down every step you take for the first five customers. That diary becomes your first SOP.



EVIDENCE GATE 3

You may move on when…

A registered entity with required licences, a business bank account, customer terms in writing, a compliance register, and a rehearsed transaction process.

STAGE 4 OF 10 · MAKE IT WORK

4 Financial viability and cash control

Can it make and keep money?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Price, cost, forecast cash	Finance component	Up to RM300k

Profit is an opinion; cash is a fact. Stage 4 makes the founder fluent in the numbers and installs the controls that keep money in the business.

MODULE 13 Financial literacy for entrepreneurs

OUTCOME Read what the three statements reveal.

- Profit and loss, balance sheet and cash flow, and how they connect.
- Revenue recognition versus cash collection; gross, contribution, operating and net profit.
- Working capital, debt, owner salary versus drawings versus dividends.
- Monthly bank reconciliation and management accounts within 10 working days of month-end.

YOUR ASSIGNMENT
Explain a sample business's position, then map your own records.

CEO TIP
A business can report a profit and still run out of cash in the same month.

MODULE 14 Costing, pricing and unit economics

OUTCOME Price for profit using sound assumptions.

- Direct, variable and fixed costs; founder labour priced at replacement cost.
- Margin versus markup; discounts, commissions, delivery, defects and warranty allowances.
- Profitability by product, customer, channel and project.
- Break-even and sensitivity analysis; annual price review with notice and added value.

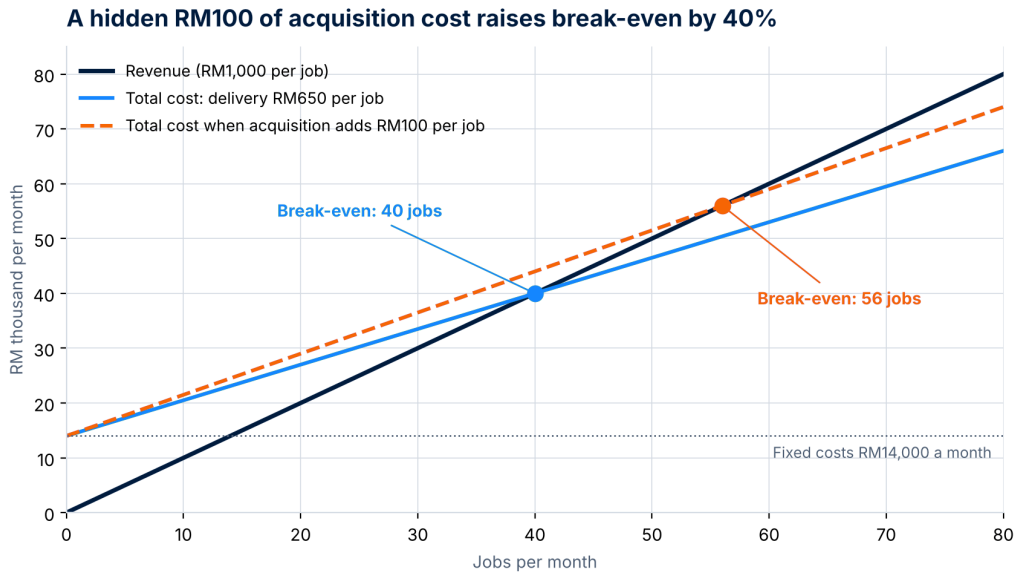


Figure 6. Worked example: how a missed acquisition cost moves break-even

Worked example. A service sells for RM1,000 a job with RM650 of variable delivery cost, so each job contributes RM350. With RM14,000 of monthly fixed costs, break-even is 14,000 / 350 = **40 jobs a month**. If acquiring each customer actually costs another RM100 that was never priced in, contribution falls to RM250 and break-even rises to **56 jobs**, 40% more work for the same result. Pricing, marketing, delivery and finance must be decided together.

YOUR ASSIGNMENT
Pricing calculator tested on base, downside and high-volume scenarios.

CEO TIP
If the business is only profitable because the founder works unpaid, it is not yet a profitable business.

MODULE 15 Cash flow and working capital

OUTCOME See funding gaps weeks before they become emergencies.

- Rolling 13-week cash forecast, updated every week with realistic collection dates.
- Deposits (30-50% for custom work), milestone and progress billing, same-day invoicing.
- Receivables ageing with a named collector; supplier terms and payment scheduling.
- Cash conversion cycle; reserves of at least three months of fixed costs; the cash that growth consumes.

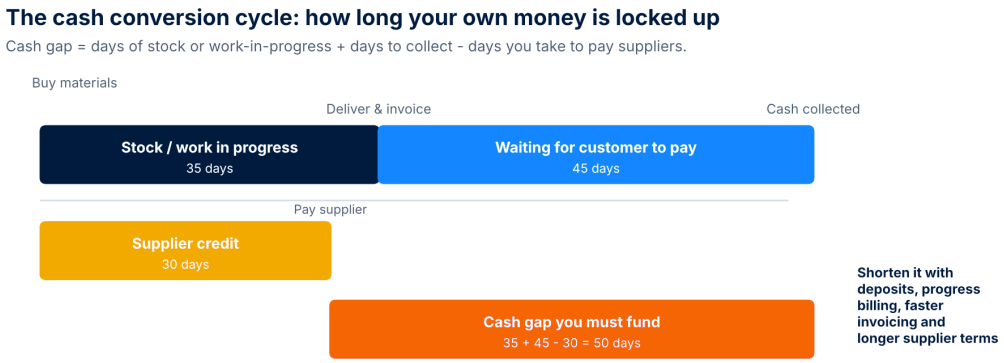


Figure 7. The cash conversion cycle and how to shorten it

YOUR ASSIGNMENT
13-week forecast maintained for eight consecutive weeks.

CEO TIP
Collect deposits before you buy materials. The customer's money should fund the customer's job.

MODULE 16 Controls, tax and funding readiness

OUTCOME Run disciplined financial administration and borrow only when ready.

- Approval limits, purchase controls, dual authorisation for payments, segregation of duties, audit trail.
- Income tax, SST applicability, e-Invoice obligations, statutory payroll (current figures in Part 5).
- Loans, guarantees, grants, Islamic financing and equity: cost, eligibility, repayment stress tests.

YOUR ASSIGNMENT
Finance control matrix and funding decision paper.

CEO TIP
Apply for financing only with registration, a bank account, six months of clean records and a forecast. Banks lend to records, not to stories.

EVIDENCE GATE 4

You may move on when…

Positive contribution per unit, a 13-week forecast used weekly, separated accounts, written approval limits, and a compliance calendar for tax and statutory payments.

STAGE 5 OF 10 · MAKE IT WORK

5 Marketing and repeatable sales

Can I win customers repeatedly?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Build the sales engine	Growth + scorecard + weekly meeting	RM300k-1m

A business becomes repeatable when customers arrive through a known channel at a known cost, convert through a known process, and come back.

MODULE 17 Positioning, brand and trust

OUTCOME Explain the business clearly to the intended customer.

- Target customer, problem, promise, proof and difference in one sentence.
- Brand identity and consistent messaging across every touchpoint.
- Proof assets: case studies, before-and-after photos, testimonial videos, Google reviews.
- Language choice by customer: Bahasa Malaysia, English, Mandarin or Tamil; objections and trust barriers in each.
- Honest claims and transparent offers.

YOUR ASSIGNMENT
Positioning statement and customer-facing offer page.

CEO TIP
Riches are in niches. The narrower the customer, the cheaper the marketing and the higher the close rate.

MODULE 18 Customer acquisition strategy

OUTCOME Choose and test channels economically.

- Channels: referrals, partners, outbound, search and maps, content, social, marketplaces, events, tenders, advertising.
- Test three channels for 30 days each with a fixed budget; keep the one with the lowest cost per qualified lead and best close rate.
- Tag every lead with its source; measure to sales and cash, not to likes.
- Watch dependence on any single platform.

YOUR ASSIGNMENT
Run one measured acquisition experiment and report cost per qualified lead.

CEO TIP
Consistent competitor ads in the Meta Ad Library usually mean the offer is profitable. Study them before spending.

MODULE 19 Sales process and CRM

OUTCOME Convert suitable enquiries into profitable orders.

- Lead capture and assignment; response within 5 minutes during business hours.
- Qualification checklist, discovery questions, proposal and quotation standards.
- Follow-up rule (for example 5 touches in 14 days); objection handling; lost-deal reasons.
- Pipeline stages with entry and exit criteria; sales-to-delivery handover pack.

YOUR ASSIGNMENT
CRM pipeline with defined stage criteria and four weeks of data.

CEO TIP
Most SME sales are lost to slow or missing follow-up, not to price.

MODULE 20 Retention, referrals and account growth

OUTCOME Grow value from satisfied customers.

- Onboarding that sets expectations; renewal and repeat-purchase triggers.
- Relevant upsells and cross-sells; an offer stack of entry, core, premium and recurring offers.
- Referral requests at the moment of highest satisfaction; consent-aware communication.

YOUR ASSIGNMENT
Customer retention and referral programme.

CEO TIP
Recurring offers (maintenance, retainers, subscriptions) do more for company value than any single big sale.

EVIDENCE GATE 5

You may move on when…

At least one channel produces qualified leads at a known cost; the pipeline has stage criteria; 8 weeks of scorecard data and meeting records exist.

STAGE 6 OF 10 · MAKE IT REPEATABLE

6 Reliable delivery and customer experience

Can we keep our promises?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Standardise delivery	Fulfilment + customer success	RM300k-3m

Marketing makes promises; operations keeps them. Stage 6 turns the sales promise into a delivery system that meets quality, time and cost without the founder inspecting every job.

MODULE 21 Designing the fulfilment process

OUTCOME **Translate the promise into a workable delivery system.**

- Map accepted order to completion: inputs, steps, outputs, owners, hand-offs.
- Capacity, bottlenecks and scheduling; customer dependencies.
- Standard packages with controlled variations instead of custom everything.
- Acceptance criteria and completion evidence.

YOUR ASSIGNMENT
Map one complete fulfilment process with owners and evidence.

CEO TIP
Count how many times the founder is called during one delivery. Each call is a missing rule.

MODULE 22 Procurement, suppliers and inventory

OUTCOME **Obtain resources reliably at controlled cost.**

- Supplier selection and scoring; at least two sources for critical inputs.
- Specifications, purchase orders, lead times, reorder points.
- Receiving and inspection before payment; three-way match of order, delivery and invoice.
- Fraud prevention, conflicts of interest and anti-bribery procedures.

YOUR ASSIGNMENT
Approved supplier register and purchasing workflow.

CEO TIP
Never let the person who orders also approve payment. It protects honest staff as much as it stops dishonest ones.

MODULE 23 Quality, safety and corrective action

OUTCOME Prevent and resolve delivery failures.

- Clear, measurable acceptance criteria and inspection checkpoints.
- Defect and rework logging with cost; workplace safety duties under OSHA.
- Root-cause analysis (5 Whys), corrective action and verification.

YOUR ASSIGNMENT
Quality checklist in use plus one root-cause investigation.

CEO TIP
'Ensure good quality' is not a standard. A standard names the evidence that proves acceptance.

MODULE 24 Customer service and service recovery

OUTCOME Handle issues consistently and learn from them.

- Response standards, complaint ownership and escalation routes.
- Remedy policy: refund, replacement, rectification, warranty, with limits staff can approve.
- Proactive updates during delays; resolution evidence; feedback into sales, delivery and product.

YOUR ASSIGNMENT
Complaint simulation and one process improvement from real complaints.

CEO TIP
A well-handled complaint creates more loyalty than a job with no problems. Give staff authority to fix within limits.

EVIDENCE GATE 6

You may move on when…

On-time delivery, defects and complaints are measured weekly; quality does not depend on the founder personally checking every job.

7

STAGE 7 OF 10 · MAKE IT REPEATABLE

People, leadership and delegation

Who can own the work?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Hire, train, delegate	Organisation + people	RM1m-5m

A company runs itself only through people who own outcomes. Stage 7 designs the seats, fills them well, trains to standard, and transfers authority as well as work.

How the accountability chart grows: functions first, names second

One person can sit in several seats early on. Each seat still needs exactly one owner.

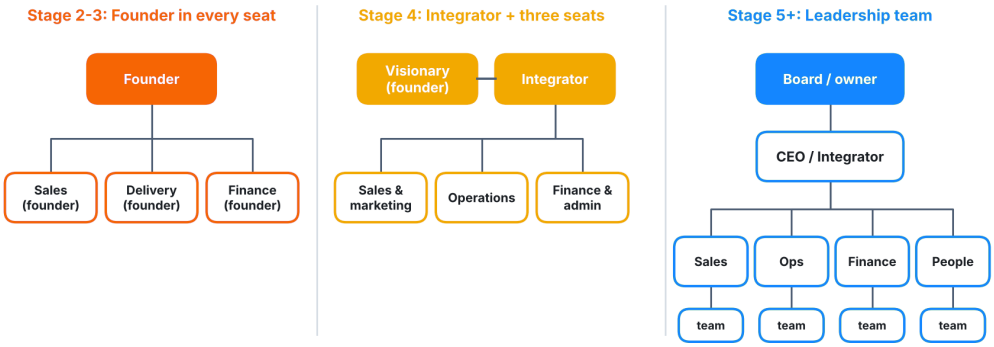


Figure 8. How the accountability chart evolves from founder-in-every-seat to a leadership team

MODULE 25 Organisation design and role accountability

OUTCOME Assign ownership of every business outcome.

- Functions before job titles: draw the accountability chart, then put names in.
- Five key responsibilities per seat, the numbers each seat owns, and its decision rights.
- Visionary and Integrator roles; employees, contractors and outsourcing; backups for every critical seat.

YOUR ASSIGNMENT

Accountability chart and seat scorecards.

CEO TIP

One person may sit in several seats in a small company, but every seat still has exactly one named owner.

MODULE 26 Recruitment and employment administration

OUTCOME Hire for proven capability and values, and employ correctly.

- Job scorecard, structured interviews, practical skills tests, values interview, reference checks.
- Employment contract, handbook, probation plan; onboarding with 30/60/90-day check-ins.
- EPF registration within 7 days of the first hire, SOCSO, EIS, PCB and HRD Corp where applicable (Part 5).

YOUR ASSIGNMENT
Hiring pack and onboarding checklist.

CEO TIP
Hire your weakness first. Most founders need an operations or admin-finance person before another salesperson.

MODULE 27 Training, performance and culture

OUTCOME Develop people who deliver consistently.

- Skills matrix; demonstrate, supervise, then check competency.
- Core values written as observable behaviours; quarterly one-to-one conversations.
- People Analyzer: values fit plus GWC (Gets it, Wants it, Capacity to do it).
- Incentives that balance revenue with margin, quality and collection; fair corrective processes.

YOUR ASSIGNMENT
Training matrix and performance review template.

CEO TIP
Reading an SOP does not prove competence. Watching someone do it correctly three times does.

MODULE 28 Delegation and management development

OUTCOME Transfer both work and authority.

- Delegate outcomes, not tasks; use the five levels of decision rights (Part 3).
- Spending limits, escalation triggers and reserved decisions in a delegation agreement.
- Coach managers; stop founder overrides and bypasses.
- List everything the owner does for two weeks; delegate or automate all that is not 'love it and great at it'.

YOUR ASSIGNMENT

Transfer one recurring founder responsibility through a written delegation agreement.

CEO TIP

If you take back a delegated decision, explain why in the meeting. Silent overrides destroy managers.

EVIDENCE GATE 7

You may move on when…

An accountability chart with named owners, seat scorecards, a training matrix, and at least one founder responsibility fully delegated with evidence.

STAGE 8 OF 10 · MAKE IT REPEATABLE

8 Install the full Business Operating System

Does the company work as one system?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Integrate and run the rhythm	Full BOS	RM1m-10m

Stage 8 connects the parts into one system: vision, processes, data and rhythm working together and used by the team every week.

MODULE 29 BOS design and business architecture

OUTCOME **Design how the company operates as a connected whole.**

- Current-state diagnosis using the 12-component maturity scale.
- Complete vision organiser: core values, core focus, 10-year target, marketing strategy, 3-year picture, 1-year plan.
- Name the core processes and their owners; list founder dependencies.
- Phased implementation plan sized to the business.

YOUR ASSIGNMENT
BOS Blueprint for your company.

CEO TIP
Do not change structure, software and every process in the same month. Sequence the change.

MODULE 30 SOPs, knowledge and process control

OUTCOME **Make important work teachable and repeatable.**

- Document the 6-10 core processes using the 12-field SOP standard (Part 3).
- Checklists, short videos and photos stored in one library with version control.
- Training and competency testing; quarterly audits; update after every repeated mistake.

YOUR ASSIGNMENT
Document and test the five highest-priority processes.

CEO TIP
If a process cannot be explained on two pages, it is not simplified yet.

MODULE 31 Technology, data and automation

OUTCOME Implement technology around the business, not the reverse.

- One system of record for each kind of truth: CRM, accounting, jobs, stock, HR, knowledge.
- Permissions, access removal, backups and recovery.
- Integration and automation with an owner, logs and failure alerts.
- AI use cases with defined data, human review and fallback (Part 3).

YOUR ASSIGNMENT
Implement one workflow and demonstrate how it fails and recovers.

CEO TIP
Understand, simplify, then automate. Never automate a step that changes every week.

MODULE 32 Dashboards and execution rhythm

OUTCOME Turn information into decisions and follow-through.

- KPI definitions with formula, source, owner, frequency and action threshold.
- Weekly scorecard, monthly business review, quarterly priorities, annual plan.
- Issues list solved by root cause; action log with one owner and one date per action.

YOUR ASSIGNMENT
Run 12 consecutive weekly meetings with a live scorecard and action log.

CEO TIP
The first sign of BOS decay is a cancelled weekly meeting. Protect it like payroll.



EVIDENCE GATE 8

You may move on when…

Twelve consecutive weeks of meeting records, a scorecard with defined KPIs, documented core processes in use, and at least one automation with an owner.

9

STAGE 9 OF 10 · MAKE IT INDEPENDENT

Founder independence and continuity

Can it run without me?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Govern, not operate	Governance + continuity	Any size

Stage 9 proves, with evidence, that the company can operate without the founder, and fixes what the proof reveals.

MODULE 33 Founder dependency diagnosis

OUTCOME Find out precisely why the company still needs you.

- Dependencies in sales relationships, pricing, approvals, technical decisions, delivery supervision, supplier access, payments, complaints, passwords and undocumented knowledge.
- Rank by impact and frequency in a Founder Dependency Register.

YOUR ASSIGNMENT
Founder Dependency Register with a removal plan for the top ten.

CEO TIP
Log every interruption for two weeks. The log is more honest than your memory.

MODULE 34 Management authority and governance

OUTCOME Establish clear, written operating authority.

- Delegation of Authority Matrix: who may approve what, up to what amount.
- Reserved owner and board decisions; reporting requirements; conflicts of interest and related-party rules.
- Board or advisory board rhythm for Sdn Bhd companies.

YOUR ASSIGNMENT
Delegation of Authority Matrix approved and published.

CEO TIP
Take yourself off the bank signatory list for routine payments. Dual approval by managers is a stronger control than one tired founder.

MODULE 35 Business continuity and succession

OUTCOME Keep essential operations running through disruption.

- Key-person absence, system failure, supplier failure, data loss and emergency communication.
- Access continuity: password manager, shared ownership of accounts and domains.
- Backup people and suppliers; temporary leadership; longer-term succession.

YOUR ASSIGNMENT
Run one continuity drill and record recovery time and gaps.

CEO TIP
Domain names, social accounts and the accounting system must be owned by the company, not a staff member's personal email.

MODULE 36 Founder absence testing

OUTCOME Demonstrate independence over a real operating cycle.

- Climb the ladder: 1 day, 3 days, 1 week, 2 weeks, 1 month.
- Track cash, decisions, delays, complaints, defects and every founder intervention.
- Review, fix, and retest.

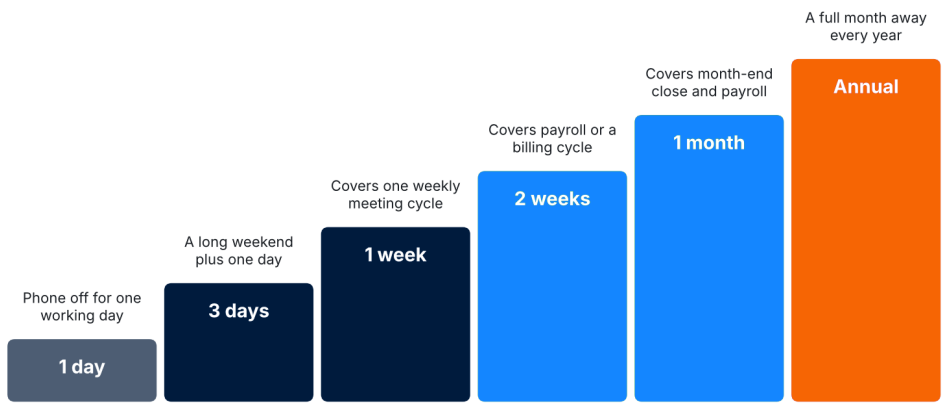


Figure 9. The founder absence test ladder

YOUR ASSIGNMENT

Complete an absence test and corrective-action review.

CEO TIP

A quiet week proves little. The test must include a payroll run, a month-end, a collection cycle or a complex delivery.

EVIDENCE GATE 9

You may move on when…

A two-week absence covering a payroll or billing cycle passed within agreed standards, with all interventions logged and corrected.

STAGE 10 OF 10 · MAKE IT INDEPENDENT

10 Expansion, renewal and long-term ownership

How do we grow and endure?

OWNER'S MAIN JOB	BOS LAYER ADDED	TYPICAL SIZE
Allocate capital, plan succession	Improvement + succession	RM10m+

Expand only from a documented, profitable core. Every new branch, product or market is launched as a copy of a proven system, never as the founder's new experiment.

MODULE 37 Scaling the proven business

OUTCOME Grow without overwhelming the core.

- Readiness test: 12 months of profit, BOS maturity of 3+ in every component, 6 months of operating cash or committed financing, a leadership team that runs the core.
- Acquisition and delivery capacity, working capital needs, stop conditions.
- Grow margin before revenue; key account management for the top 20% of customers.

YOUR ASSIGNMENT
Expansion business case with downside scenarios.

CEO TIP
A 5-point gain in gross margin often beats 20% more sales that add complexity.

MODULE 38 New locations, products and markets

OUTCOME Test expansion routes systematically.

- Branches, adjacent offers, licensing, franchising (Franchise Act 1998), export (MATRADE, EXIM Bank, FTAs), acquisitions, joint ventures.
- Write the playbook before opening; pilot one unit with a budget, timeline and stop-loss.
- Separate scorecards and P&Ls per unit; holding-company structure for higher-risk ventures.

YOUR ASSIGNMENT
Expansion pilot design with investment and exit criteria.

CEO TIP
Never send your best operator to open a branch until their replacement is trained.

MODULE 39 Innovation and business renewal

OUTCOME Stay relevant as markets and technology move.

- Customer and competitor monitoring; product lifecycle reviews.
- A small portfolio of experiments; productivity and AI improvements.
- Discontinue weak offers; sustainability requirements from customers and financiers.

YOUR ASSIGNMENT
Quarterly innovation and improvement portfolio.

CEO TIP
Stopping a familiar but weak offer frees more capacity than any new hire.

MODULE 40 Wealth, succession, sale and responsible exit

OUTCOME Decide how the business will serve its owners long term.

- Reinvestment versus distributions; owner compensation policy.
- Leadership and family succession; for Muslim owners, faraid, wasiat, hibah, family trusts or waqf with proper advice.
- Valuation basics, investor readiness, sale preparation and due diligence; responsible restructuring or closure if needed.

YOUR ASSIGNMENT
Three-year ownership and succession plan.

CEO TIP
Build the company a buyer would want, even if you never sell. It is also the easiest company to own.

EVIDENCE GATE 10

You may move on when…

A controlled growth plan with a profitable second unit or market, and a written leadership and ownership succession plan.

PART

3

The operating machinery

The working parts of the BOS: how work flows, who decides, how the company keeps time, what it measures, and how technology supports it.

5 Five operating cycles
6 The SOP standard
7 Decision rights
8 The management rhythm
9 The scorecard and KPI system
10 Cash, controls and money discipline
11 Technology and AI in the BOS
12 People system

CHAPTER 5

Five operating cycles

> *Every business, whatever its industry, runs on five cycles. Each has a trigger, an end point, an owner and controls. Most of the pain in a growing SME sits at the hand-offs between them.*

Five operating cycles run through every business

Each cycle has a start, an end, an owner and controls. Most business pain sits at the hand-offs.

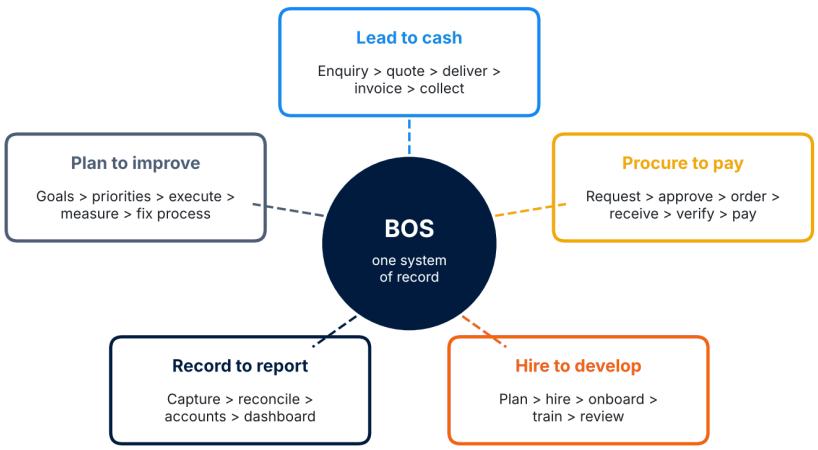


Figure 10. The five operating cycles around one system of record

Cycle	Scope	Typical failure to prevent	Key control
Lead to cash	Marketing, qualification, sale, handover, delivery, invoicing, collection	Sales that cannot be delivered profitably or collected	No job starts without signed scope, contract and deposit
Procure to pay	Request, approval, order, receipt, invoice check, payment	Unauthorised buying; paying for undelivered goods	Three-way match; payer is not the orderer
Hire to develop	Workforce plan, hiring, onboarding, training, performance, exit	People given responsibility without preparation	Competency check before independent work

Cycle	Scope	Typical failure to prevent	Key control
Record to report	Transaction capture, reconciliation, accounts, dashboard, review	Decisions based on late or wrong numbers	Monthly close within 10 working days
Plan to improve	Goals, priorities, execution, measurement, problem solving, process updates	Busy activity without learning or accountability	Every repeated issue ends in a process change

Lead to cash in detail

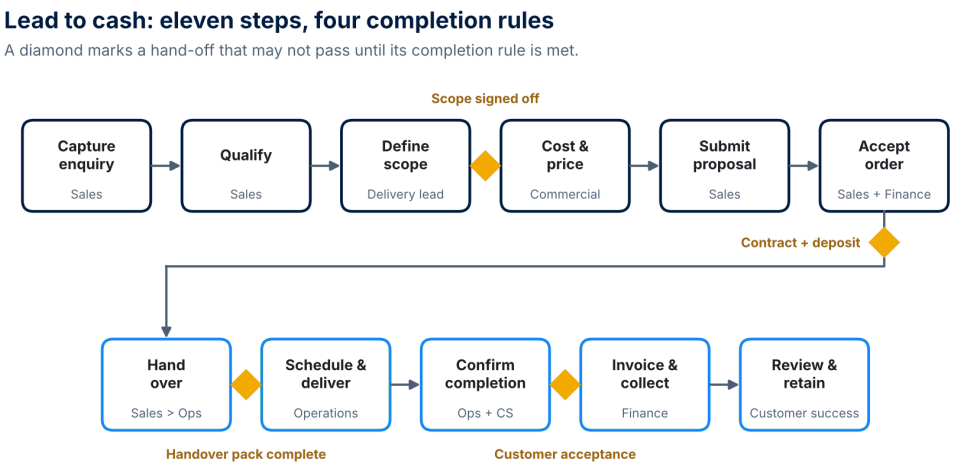


Figure 11. Lead to cash with four completion rules

Step	Owner	Required evidence or control
Capture enquiry	Marketing or sales	Customer record with source and contact
Qualify	Sales	Need, fit, budget or financing, decision-maker, timing
Define scope	Technical or delivery lead	Requirements, exclusions, feasibility
Cost and price	Commercial owner	Costing sheet, target margin, approved exceptions
Submit proposal	Sales	Approved quotation and terms
Accept order	Sales and finance	Signed contract, deposit or payment arrangement
Hand over	Sales to operations	Handover pack: scope, promises, customer details, schedule

Step	Owner	Required evidence or control
Schedule and deliver	Operations	Capacity plan, work records, quality checkpoints
Confirm completion	Operations and customer service	Customer acceptance or documented exceptions
Invoice and collect	Finance	e-Invoice where required, collection status, reconciliation
Review and retain	Customer success	Feedback, review request, next appropriate offer

THE COMPLETION RULE

Every hand-off has a rule that must be satisfied before work passes to the next owner. A sale enters delivery only when scope, approvals, documents and payment arrangements are complete. Completion rules are how a business stops the founder from being the 'checker of last resort'.

CHAPTER 6

The SOP standard

> *A standard operating procedure exists to let a trained person do the work correctly without the founder's memory.*

Field	What it records
Purpose	The business result the process protects
Trigger	The event that starts the work
Owner	The one person accountable for the process and its document
Inputs	Information, materials and tools required
Steps	Actions in order; only the 20% that drives 80% of the result
Authority	Decisions the performer may make alone
Checks	Quality, financial or safety controls
Output	Evidence of completion: record, photo, signature, system entry
Exceptions	Situations outside the standard
Escalation	Who decides, and when
Record location	Where the evidence is stored
Version and review date	Who maintains the current version and when it is next reviewed

Table 5. The 12-field SOP standard

Use the lightest format that works: a checklist on the wall, a short written procedure, annotated screenshots or a two-minute video. Record the founder doing a task once on video; it becomes the first draft. A process is **ready for delegation** when another trained person can perform it, produce the evidence, and handle or escalate exceptions correctly.

CHAPTER 7

Decision rights

> *Delegation fails when people receive tasks but must still ask the owner before every decision. Authority must travel with responsibility.*



Figure 12. Five levels of decision rights

The delegation agreement

Every significant delegation is written on one page that states the expected result, budget and spending authority, quality and timing standards, reporting frequency, escalation triggers, decisions reserved for the owner, and the review date.

Example Delegation of Authority Matrix

Decision	Staff	Manager	Integrator / GM	Owner / board
Discount on a quotation	Up to 3%	Up to 7%	Up to 12%	Above 12%

Decision	Staff	Manager	Integrator / GM	Owner / board
Purchase within budget	Up to RM1,000	Up to RM10,000	Up to RM50,000	Above RM50,000
Customer remedy (refund, redo)	Up to RM500	Up to RM5,000	Up to RM20,000	Legal threat or above
Hire into an approved position	-	Recommend	Approve	Senior roles
New supplier for critical input	-	Recommend	Approve	-
Price list change	-	Recommend	Approve	Strategic repricing
Capital expenditure	-	-	Within annual budget	Outside budget
Borrowing, guarantees, new entities	-	-	-	Always

Table 6. Illustrative limits; each company sets its own

Legal threats, safety incidents, significant financial exposure and allegations of misconduct always follow a separate escalation route, whatever the amount.

CHAPTER 8

The management rhythm

> *A BOS lives in its calendar. The rhythm turns information into decisions and decisions into completed actions.*

The management rhythm: the heartbeat of a self-running company

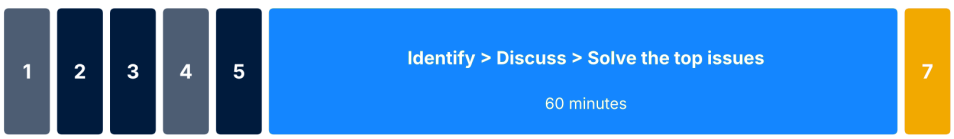
Each meeting has a fixed time, a fixed agenda and a written output. Cancelling is the first sign of decay.

	Meeting	Purpose	Required output
Daily	10-15 min huddle	Today's priorities and blockers	*Assignments, urgent escalations*
Weekly	90 min leadership	Scorecard, priorities, issues	*Decisions, owners, deadlines*
Monthly	2 hr business review	Accounts, cash, budget vs actual	*Updated forecast, corrections*
Quarterly	1 day planning	Review strategy, set 3-7 priorities	*Next 90-day priorities*
Annually	2 day planning	Vision, budget, capacity, leaders	*Approved annual plan*

Figure 13. The management rhythm

The 90-minute weekly leadership meeting

Same day, same time, same agenda. Two-thirds of the time goes to solving issues, not reporting.



1 Good news (5 min)
2 Scorecard (5 min)
3 Priorities check (5 min)
4 Headlines (5 min)
5 Last week's actions (5 min)
7 Confirm & rate (5 min)

Rule: an update states facts, an issue states a problem, a decision chooses, an action has one owner and a date.

Figure 14. Agenda of the weekly leadership meeting

Update, issue, decision, action

Type	Example	What the meeting does
Update	'The supplier is late.'	Notes it in under 30 seconds
Issue	'The delay will stop Friday's handover.'	Adds it to the issues list and prioritises it
Decision	'Use the approved alternative supplier.'	Records the decision and who communicates it
Action	'Procurement confirms availability by 2 p.m. today.'	Assigns one owner and one deadline

Solving issues: Identify, Discuss, Solve

1. **Identify** the real root cause. Ask 'why' until the answer is a process, a person-seat fit, or a missing decision.
2. **Discuss** once. Everyone says what they think, without repeating.
3. **Solve** with an action owned by one person, a date, and, where the issue is recurring, a process change.

90-day priorities

Each quarter the leadership team chooses 3-7 company priorities, and each leader takes 1-3 of their own. A priority is specific, measurable and either done or not done by day 90. 'Grow sales' is a wish; 'Launch the referral programme with 20 active partners' is a priority. Review priorities weekly as on track or off track; an off-track priority goes straight to the issues list.

CHAPTER 9

The scorecard and KPI system

> *Start with a small set of numbers that drive decisions. Every KPI needs a definition, formula, source, owner, frequency and an action threshold.*

Area	Weekly leading indicators	Monthly lagging indicators	Decision it drives
Demand	Qualified leads, response time, cost per lead	Customer acquisition cost	Where to spend acquisition effort
Sales	Appointments, quotations, follow-ups done	Revenue, close rate, average order value	How to improve offer and pipeline
Delivery	Jobs on schedule, backlog, utilisation	On-time delivery rate, gross margin by job	What to schedule or resource
Quality	First-pass acceptance, defects, rework	Rework cost, warranty claims	Which process needs correction
Customers	Complaints resolved in 48 hours, reviews requested	Repeat rate, Net Promoter Score	Where to improve experience
Finance	Cash collected, receivables over 30 days, cash balance	Net margin, cash conversion cycle, budget variance	What to collect, spend, fund or stop
People	Vacancies, training hours, quarterly conversations done	Turnover, revenue per employee	Where to hire or develop
Independence	Founder interventions this week	Critical seats without backup	What to delegate or strengthen

Table 7. KPI library by area

Core formulas

Measure	Formula
Gross margin	(Revenue - cost of sales) / revenue
Contribution per unit	Selling price - variable costs of that unit
Break-even volume	Fixed costs / contribution per unit
Customer acquisition cost	Acquisition spend / new customers won (same period, or lag-adjusted for long cycles)
Conversion rate	Customers won / qualified opportunities

Measure	Formula
On-time delivery	Deliveries completed by the agreed date / deliveries due
Cash conversion cycle	Inventory or WIP days + receivable days - payable days
Revenue per employee	Annual revenue / full-time equivalent staff

Starter scorecard for a 5-20 person service business

Measure	Owner	Weekly target (example)
New qualified leads	Marketing	25
Consultations held	Sales	10
Quotations sent	Sales	6
Sales closed (RM)	Sales	RM30,000
Cash collected (RM)	Finance	RM28,000
Receivables over 30 days (RM)	Finance	Under RM10,000
Jobs on schedule (%)	Operations	90% or above
Complaints or rework	Operations	0-1

CHAPTER 10

Cash, controls and money discipline

> *Cash is the most common cause of death for Malaysian SMEs, and the easiest to prevent with a weekly routine.*

Tool	What it does	Frequency
13-week cash forecast	Shows every expected receipt and payment by week; reveals gaps 6-10 weeks ahead	Updated weekly
Profit First allocation	Moves fixed percentages to tax, owner pay, profit/ zakat and operating accounts	Twice a month
Receivables ageing	Lists who owes what, how long, and who is chasing	Weekly
Budget versus actual	Compares spending and revenue with plan; explains variances	Monthly
Approval limits and dual sign-off	Prevents single-person control of payments	Every payment
Bank reconciliation	Matches records to bank; detects errors and fraud early	Monthly, ideally weekly
Reserve fund	Three months of fixed costs, then six	Built progressively

Shorten the cash conversion cycle by collecting deposits, billing progress, invoicing on the day of completion, chasing on a fixed schedule, holding less stock, and negotiating supplier terms that are longer than customer terms. Growth always consumes cash before it produces it; forecast it before signing the bigger contract.

CHAPTER 11

Technology and AI in the BOS

> *Technology should make a good process faster and more visible. It cannot make a bad process good.*

Implementation order: **understand the work > simplify it > assign ownership > establish clean records > configure tools > train users > automate stable steps > monitor results.**

Technology architecture: one record for each kind of truth

Every system has an owner. Automation moves data between them. AI drafts; humans approve consequential steps.

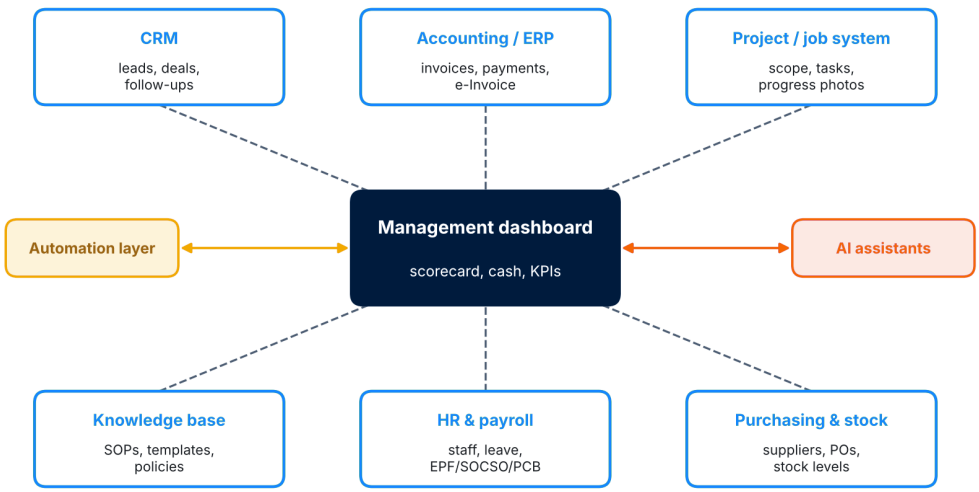


Figure 15. A practical SME technology architecture

Business need	System category	Information it must hold
Enquiries and sales	CRM	Contacts, opportunities, communications, next actions
Financial transactions	Accounting or ERP (MyInvois-ready)	Invoices, payments, expenses, balances, e-Invoice records
Delivery	Project, job or order management	Scope, tasks, deadlines, costs, completion evidence
Procurement and stock	Purchasing and inventory	Suppliers, orders, receipts, stock movements

Business need	System category	Information it must hold
People	HR and payroll	Employment records, attendance, leave, pay, statutory contributions, training
Knowledge	Document and knowledge base	Current SOPs, templates, policies
Management	Dashboards	Defined, reconciled measures
Integration	Workflow automation	Transfers, notifications, approvals, error alerts

A micro business can run on a few well-managed cloud tools; a larger one may justify an integrated ERP. Choose on total cost, local compliance (e-Invoice, SST, payroll), usability, data portability, support, permissions and recovery, not on features alone.

AI with guardrails

Good first AI use cases	Guardrail
Draft proposals from approved scope and price data	A named person approves price and terms before sending
Summarise meetings into decisions and actions	Owner confirms actions in the meeting record
Answer FAQs and categorise WhatsApp enquiries	Hand-off to a human for pricing, complaints and commitments
Draft marketing posts from approved claims	No new claims; brand review before posting
Retrieve current SOPs for staff on site	Only the latest approved versions are in the knowledge base
Flag unusual costs, overdue invoices or margin drops	Alerts go to the seat owner, who decides the action
Draft customer progress updates from project records	Facts come from verified records, not the model

Each automation or AI workflow needs an owner, permitted data, expected output, review responsibility, failure alerts, a fallback, and a cost-benefit check. Human review stays at every consequential point: contracts, payments, employment decisions and safety. Under the Personal Data Protection Act 2010 as amended, businesses should also check their data breach notification and data protection officer obligations with current JPDP guidance.

CHAPTER 12

People system

> *The people system makes sure every seat is filled by someone who shares the values, understands the role, wants it, and has the capacity to do it.*

Tool	Purpose	When
Accountability chart	Seats, five key responsibilities each, one owner per seat	Reviewed every 6 months
Seat scorecard	Numbers the seat owns weekly	Weekly
Core values	3-7 behaviours discovered from the best people	Hiring, reviews, recognition
People Analyzer	Values fit + Gets it, Wants it, Capacity	Quarterly conversations
Skills and training matrix	Who can do what to standard; who is the backup	Monthly update
Quarterly conversation	Two-way review: what's working, what's not, support needed	Every 90 days
Succession list	Ready-now and ready-later successors for each key seat	Annually

Act within 90 days when the same person appears on the issues list week after week despite a clear, trained standard. Keeping the wrong person in a seat is unfair to the team who carries the gap.

PART

4

Making it run itself

How to install the BOS in a business that is already trading, prove independence, and govern the company from above.

13 The 90-day BOS sprint
14 The 18-24 month rollout
15 Removing founder dependency
16 Proving and governing independence

CHAPTER 13

The 90-day BOS sprint

> *For a business already operating, a focused 90-day sprint installs the first working BOS. Independence then grows over 18-24 months of disciplined use.*

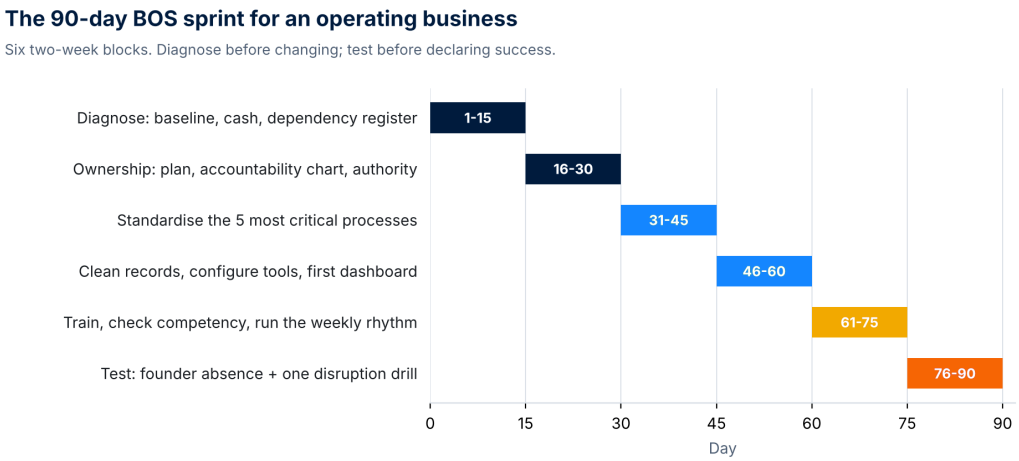


Figure 16. The 90-day BOS sprint

Days	Work	Concrete deliverables
1-15	Diagnose operations, cash, risks and founder dependence. Observe real work, trace transactions, interview staff.	BOS maturity baseline, dependency register, top 5 issues
16-30	Clarify goals, seats, process owners and authority.	One-page plan, accountability chart, Delegation of Authority Matrix
31-45	Standardise the processes that touch cash, customer promises, safety and quality.	Five tested SOPs with checks and escalation rules
46-60	Clean records and configure supporting tools.	Reliable customer, supplier, product and staff data; first dashboard
61-75	Train staff and run the rhythm.	Competency checks, weekly meetings, action log
76-90	Test delegation and resilience.	Short founder absence, one disruption drill, corrective actions, next-quarter priorities

SPRINT RULES

Diagnose before changing. An urgent collection problem may deserve attention before marketing automation.

Change one big thing at a time: structure, software and processes in the same fortnight will overwhelm the team.

Test every SOP on real or safely simulated cases before publishing it.

Investigate why people bypass the system; the bypass usually shows where the system is wrong.

CHAPTER 14

The 18-24 month rollout

Phase	Timing	Focus	Evidence of completion
Commit	Weeks 1-2	Owner and 2-4 key people agree to run on one system; name the Integrator	Signed commitment; first meeting booked
Foundation	Months 1-3	Accountability chart, core values, weekly meeting, scorecard, issues list, first 90-day priorities	12 weeks of meeting and scorecard records
Vision	Months 3-6	Full vision organiser in two planning days; shared with every employee	Staff can state core focus and this quarter's priorities
Systemise	Months 6-12	Document and train 6-10 core processes; single system of record; first automations	Processes followed by all; audit results
Mastery	Months 12-24	Rhythm pushed to every department; Integrator runs planning; absence tests	Two-week absence passed; maturity 4+ in most components

Roles in the rollout

- **Visionary:** ideas, major relationships, culture, R&D. Usually the founder.
- **Integrator:** runs the leadership team, owns the plan, the rhythm and the P&L, breaks ties. In a micro business the founder wears both hats until Stage 7.
- **Implementer or coach:** facilitates the first planning sessions so the owner can participate instead of chair.
- **Process champions:** one owner per core process, responsible for its document, training and audit.

Failure modes and fixes

Failure mode	Symptom	Fix
Tool overload	Everything installed in month 1, abandoned by month 4	Install in the phase order above

Failure mode	Symptom	Fix
Owner bypass	Owner decides outside the meeting	Owner raises issues on the list like everyone else
Vanity metrics	Scorecard shows likes, not leads and cash	Every number must drive a decision
Priorities too big	'Grow sales' as a priority	Specific, measurable, done-or-not-done in 90 days
Process on paper only	SOP binder on the shelf	Train, audit quarterly, update after repeated mistakes
Wrong person kept	Same name on the issues list every week	People Analyzer; act within 90 days
Automation of chaos	Faster errors, broken integrations	Simplify and stabilise before automating

CHAPTER 15

Removing founder dependency

> *Independence is built by finding each dependency, assigning it an owner, and verifying that it is gone.*

Founder Dependency Register

Dependency	Impact 1-5	How often	New owner	Removal method	Verified by
Only founder can price complex jobs	5	Daily	Commercial manager	Pricing rules + cost database + approval limits	10 quotes priced without founder
Key client relationships	5	Weekly	Account manager	Joint visits, introductions, account plans	Client calls account manager first
Supplier credit depends on founder	4	Monthly	Procurement lead	Company guarantees, payment record, introductions	Supplier accepts orders from lead
Bank and payment approvals	4	Daily	Finance + GM	Dual approval within matrix	Payroll run without founder
Passwords and domain ownership	5	Rare but critical	Admin	Company-owned accounts, password manager	Access test by backup

Table 8. Example dependency register

Founder intervention log

During every absence test and for two weeks each quarter, log each time the founder is pulled in.

Record	Why it matters
Situation that required the founder	Reveals the dependency
Person and seat involved	Shows capability or ownership gaps
Reason for escalation	Separates legitimate exceptions from avoidable dependence

Record	Why it matters
What the founder did	Shows knowledge or authority still centralised
Prevention plan	Turns the intervention into a system improvement
Verification date	Confirms the dependency has been removed

CHAPTER 16

Proving and governing independence

> *A business runs itself when six kinds of continuity hold for a full operating cycle without the founder.*

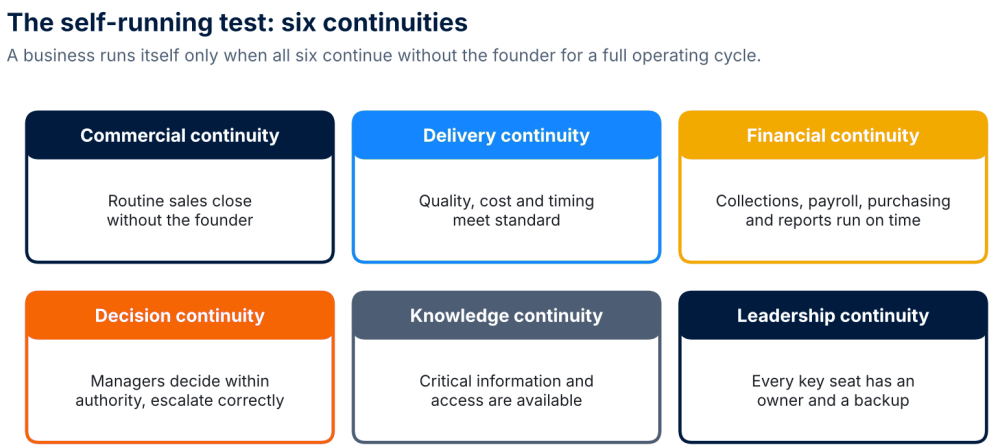


Figure 17. The six continuities of a self-running company

The self-running checklist

- Owner spends fewer than 10 hours a week in operations for six consecutive months.
- The leadership team runs weekly, quarterly and annual meetings without the founder chairing.
- Every BOS component scores 4 or higher.
- Key customers, suppliers and bankers have relationships with managers, not only the founder.
- Profit and cash targets hit for four consecutive quarters.
- Every key seat has a named successor ready within 90 days.

- The business can afford its replacement leadership: independence that destroys profit is not independence.
- The company would pass a buyer's or investor's due diligence today.

Governance once the founder steps back

- **Board of directors** with scheduled meetings, minutes and resolutions; an **advisory board** of 2-4 outside experts.
- **Shareholders' agreement** covering decisions, dividends, share transfers, deadlock and exit.
- **Internal controls:** segregation of duties, dual payment approval, monthly reconciliation, risk register, anti-bribery procedures (Section 17A of the MACC Act creates corporate liability; adequate procedures are a defence).
- **Annual audit** and management letters acted upon.
- **Owner's reserved decisions:** strategy, capital, senior appointments, borrowing, new entities, major contracts.

Long-term ownership options

Option	When it fits	Preparation time
Keep and collect dividends	Stable cash generation; strong management team	1-2 years
Family succession	A capable, willing next generation	5-10 years
Management buyout	Loyal managers who want ownership	2-5 years
Trade sale	Strategic value to a larger player	2-3 years
Private equity or investor partner	Growth capital needed; partial founder liquidity	1-3 years
Bursa Malaysia listing (LEAP or ACE Market, then Main Market)	Scalable, well-governed, audited growth history	3-5 years
Employee ownership or waqf structure	Legacy and community benefit	2-5 years

Valuation is usually a multiple of maintainable profit, adjusted for owner dependence, customer concentration, recurring revenue and quality of systems. A documented, independently run BOS is one of the few things that raises that multiple directly.

PART

5

Malaysia resource pack

Facts that change. Checked on 26 November 2026, after Budget 2027 was tabled. Re-check every rate and threshold on the official site before you act.

17 Registration, tax, payroll and funding facts

CHAPTER 17

Registration, tax, payroll and funding facts

MAINTENANCE RULE

Keep this pack separate from the core lessons. For each fact, record the source, the date checked, which businesses it applies to, and who updates it. Never embed thresholds permanently in slides.

Business size definitions (SME Corp)

Category	Services and other sectors	Manufacturing
Micro	Sales under RM300,000 or fewer than 5 full-time staff	Same
Small	RM300,000 to under RM3m, or 5 to under 30 staff	RM300,000 to under RM15m, or 5 to under 75 staff
Medium	RM3m to RM20m, or 30 to 75 staff	RM15m to RM50m, or 75 to 200 staff

Table 9. SME definition: whichever criterion is lower applies

Registration and structure

Structure	Law and portal	Typical cost	Notes
Sole proprietorship	Registration of Businesses Act 1956, SSM ezBiz	RM30 a year own name; RM60 trade name	Malaysian citizens or PR aged 18+; unlimited liability
Partnership	Same	RM60 a year	Sign a partnership agreement
LLP	Limited Liability Partnerships Act 2012	Low	Professional firms
Sdn Bhd	Companies Act 2016, SSM MyCoID	RM1,000 SSM fee plus RM50 name reservation; secretary about RM600-2,000 a year; audit	Company secretary within 30 days; annual return and audited accounts

Tax and invoicing

Topic	Position checked 26 Nov 2026
SME corporate tax	YA2026: 15% on the first RM150,000 of chargeable income, 17% on the next RM450,000, 24% above. Budget 2027 lowers the first two bands to 14% and 16% from YA2027; for companies with paid-up capital of RM2.5m or less, gross income of RM50m or less, and under 20% foreign ownership
e-Invoicing (MyInvois)	Phased in by annual turnover from August 2024. Small taxpayers below LHDN's exemption threshold (raised to RM3 million) are exempt. Confirm your phase and any relaxation on the LHDN MyInvois page
Service tax	Expanded from 1 July 2025; thresholds and rates differ by service, so confirm on MySST. Most taxable services register at RM500,000 a year; rental/leasing and fee-based financial services at 8% with a RM1,000,000 threshold; non-residential construction at 6% with a RM1.5 million threshold
Sales tax	5% or 10% on many goods after the July 2025 revision; essentials remain exempt
Filing	Form B for sole proprietors (30 June); Form C within 7 months of year-end; CP204 instalments by the 15th of each month

Employment and payroll

Item	Position checked 26 Nov 2026
Minimum wage	RM1,700 a month today. Rises to RM2,000 from 1 June 2027; an exemption was announced for MSMEs with annual sales below RM50 million, so confirm the final order before you plan payroll
EPF (employer)	13% for wages up to RM5,000, 12% above; foreign employees 2% employer and 2% employee since October 2025
SOCSO and EIS	Wage ceiling RM6,000; EIS 0.2% employer and 0.2% employee
Deadline	EPF, SOCSO, EIS, PCB and HRD Corp levy by the 15th of the following month
HRD Corp	Levy for covered employers with 10 or more Malaysian employees; use it for training
Data protection	PDPA 2010 as amended: check breach notification and DPO obligations with JPDP

Compliance calendar

When	Obligation	Who
By the 15th monthly	EPF, SOCSO, EIS, PCB, HRD Corp levy; CP204 instalment	Employers; Sdn Bhd

When	Obligation	Who
Every 2 months	SST-02 return and payment by the end of the following month	SST-registered businesses
Real-time	e-Invoice submission via MyInvois	Turnover above the LHDN exemption threshold
28 Feb / 31 Mar	EA/EC forms to employees (by end-February); Form E to LHDN (by 31 March)	All employers
30 June	Form B	Sole proprietors and partners
Within 7 months of year-end	Form C	Sdn Bhd
Within 30 days of incorporation anniversary	SSM annual return	Sdn Bhd
Yearly on anniversary	SSM business registration renewal	Enterprises, partnerships
As stated	PBT, CIDB, halal and sector licence renewals	As applicable

Funding and support

Source	What it offers	Best for
TEKUN Nasional and BSN	Micro-loans; check the current allocation in Budget 2027	Micro traders, self-employed
Amanah Ikhtiar Malaysia	Group-based micro-financing	Low-income and women entrepreneurs
MARA, PUNB, TERAJU	Financing and scaling programmes	Bumiputera SMEs and startups
SME Bank, Bank Pembangunan, EXIM Bank	Development, automation and export financing; nearly RM1 billion for automation and digitalisation	Growing SMEs, exporters
BNM funds via banks; CGC and SJPP guarantees	Guarantee-backed financing	SMEs without collateral
Women MSME financing	RM270 million via Bank Rakyat, BSN, MARA and SME Bank	Women-led MSMEs
SME Corp MSME Hub, MDEC, Cradle	Advisory, digital grants, accelerators	Digitalising and tech businesses

Source	What it offers	Best for
SC-licensed equity and P2P crowdfunding	Equity or invoice financing	Startups with traction

Apply for funding only after registration, a business account, six months of clean records and a simple plan. Investigate eligibility, cost and repayment capacity; never assume a grant will arrive on time.

Where to check

Topic	Authority
Registration	SSM (ezBiz, MyCoID)
Licensing	MalaysiaBiz, local authorities (PBT), sector regulators
Income tax and e-Invoice	LHDN / HASiL
SST	Royal Malaysian Customs (MySST)
Employment	Labour Department (JTK)
EPF, SOCSO, EIS	KWSP, PERKESO
Data protection	JPDP
Trademarks and IP	MyIPO
Franchising	Franchise Development Division, Ministry of Entrepreneur and Cooperatives Development (KUSKOP)
Business support	SME Corp Malaysia, MATRADE, MIDA

PART

6

Industry tracks

The core journey is universal. Each sector adds its own operating controls.

18 What changes by industry

CHAPTER 18

What changes by industry

Track	Additional operating lessons	Critical scorecard numbers
Construction and renovation	Estimating, project costing, approvals, subcontractors, variations, progress claims, site safety, defects, handover	Margin per project, claims outstanding, schedule variance, safety incidents
Retail and e-commerce	SKU margins, merchandising, inventory, fulfilment, returns, marketplace fees	Sell-through, stock days, return rate, contribution per order
F&B	Food safety, recipes and yield, wastage, outlet economics, rostering	Food cost %, labour cost %, wastage, table turns
Professional services	Scoping, utilisation, project margin, knowledge transfer, confidentiality	Utilisation, realisation, lock-up days
Manufacturing	Production planning, bills of materials, maintenance, traceability, quality	OEE, scrap rate, on-time in full
Digital and subscription	Onboarding, recurring billing, retention, support, uptime	Churn, MRR, CAC payback, support response
Distribution and logistics	Credit control, stock availability, route economics, supplier dependence	Fill rate, debtor days, cost per drop

The construction track in depth

Construction is an excellent teaching case because it exercises every cycle at once: long sales cycles, customer financing, technical scope, permits, many subcontractors, heavy working capital and long warranties. The full chain runs from enquiry and design through approvals, procurement, construction, progress collections, handover and the defect liability period.

Cycle step	Construction-specific control
Qualify	Land status, financing route and approval readiness confirmed before design time is spent
Scope and price	Priced only from complete drawings and a bill of quantities; exclusions listed
Contract	Payment schedule tied to verified progress milestones; variation procedure agreed
Approvals	Clear split between contractor, client and qualified professionals (architect, engineer) for authority submissions

Cycle step	Construction-specific control
Procurement	Approved suppliers and subcontractors; materials received and checked against specification
Delivery	Daily site report with photos; weekly progress against schedule; safety briefing records
Claims	Progress claim submitted only with inspection evidence; collection owner named
Handover	Defect inspection checklist, as-built documents, warranty start date
Warranty	Defect log with response times through the defect liability period

PART

7

Teaching the programme

How to deliver this blueprint as a cohort programme, assess it fairly, and package it as a sustainable education business.

19 Delivery model
20 Assessment and graduation
21 Strategies and mistakes

CHAPTER 19

Delivery model

> *The flagship format is a 12-month programme: 40 teaching weeks (one module a week), 8 implementation clinic weeks and 4 flexible weeks.*

Element	Design
Per module	About 3 guided hours and 4 fieldwork hours: 120 guided and 160 fieldwork hours in total, excluding clinics
Format	Hybrid: in-person workshops, live online sessions and recorded lessons
Language	Bahasa Malaysia primary with English materials; key tools named in both languages
Peer groups	6-8 owners at a similar stage meet monthly for accountability
Mentoring	One mentor per group; quarterly one-to-one BOS maturity review
Case study	One continuous case followed across all modules, contrasted with retail, F&B and services examples
Honesty in examples	Clearly label real results, anonymised cases, illustrative examples and proposed methods

Learner	Entry route
Aspiring entrepreneur	Begin at Stage 1
Early business owner	Diagnostic, then focus on Stages 2-6
Established founder-dependent owner	Diagnostic, then Stages 7-9 and Part 4, returning to weak components

Table 10. Three entry routes

CHAPTER 20

Assessment and graduation

Component	Weight
Customer and commercial validation	15%
Financial model and cash management	20%
Sales and delivery implementation	20%
People, authority and BOS implementation	25%
Independence test and final presentation	20%

Table 11. Assessment weighting

Assess implementation, not attendance. Use simulations for learners who have not yet launched, but label simulated competence separately from business results. A high total score never overrides an unresolved critical issue in legality, safety, financial control or customer protection.

Graduation requires

- A defined target customer and offer with evidence of commercial viability.
- A cash forecast in active use and compliance preparation complete.
- Working sales and delivery processes with named owners for every critical seat.
- Tested process documentation and a scorecard used in weekly meetings.
- A documented delegation or founder absence test.
- A capstone: a 20-minute before-and-after presentation to a panel of entrepreneurs and a banker, with a justified next-stage plan.

The participant's final BOS portfolio

1. Founder objectives and opportunity scorecard

2. Customer research and validation evidence
3. Business model and competitive strategy
4. Compliance register and contract checklist
5. Offer catalogue and pricing model
6. Budget and 13-week cash forecast
7. Marketing plan and CRM pipeline
8. Fulfilment map and quality controls
9. Accountability chart and seat scorecards
10. Hiring, onboarding and training materials
11. Delegation of Authority Matrix
12. Core SOP library
13. Technology and data architecture
14. KPI definitions and dashboard
15. Meeting agendas and action log
16. Risk register and continuity plan
17. Founder Dependency Register
18. Absence-test findings and corrective actions
19. Expansion business case
20. Ownership and succession plan

CHAPTER 21

Strategies and mistakes

Eighteen strategies to teach throughout

Strategy	Practical application	Common mistake
Start with a specific customer	Serve one defined segment first	Marketing to everyone
Study actual behaviour	Ask about past purchases and workarounds	Treating compliments as demand
Limit early commitments	Test before adding overhead	Building capacity before sales
Price the full burden	Include labour, defects, commissions, collection costs	Confusing revenue with worthwhile business
Protect cash before growth	Model collection and payment timing	Growing into a cash shortage
Standardise common work	Packages with controlled variations	Customising every transaction
Give every opportunity a next action	Owner and follow-up date on each lead	Piles of inactive leads
Define acceptance	Measurable delivery checks	Vague quality expectations
Delegate authority with responsibility	Written limits and escalation	Approval needed for every small decision
Train against real work	Demonstrate, practise, assess	Assuming reading equals competence
Keep processes at the point of work	Checklist where the task happens	SOPs nobody can find
Review exceptions	Log discounts, rework, delays, overrides	Exceptions become hidden routines
Reduce critical dependencies	Backups for people and suppliers	One person or supplier holds the company hostage
Automate stable steps	Test outputs, errors and recovery	Accelerating a broken process
Balance incentives	Reward margin, collection, quality, retention	Rewarding sales volume alone
Stop weak activities	Review real economics and fit	Keeping offers because they are familiar

Strategy	Practical application	Common mistake
Change one expansion variable at a time	Pilot a new location or offer separately	New products, territory and systems at once
Make owner overrides visible	Explain and record exceptions	Undermining managers informally

Fifteen mistakes Malaysian entrepreneurs make most often

1. Mixing personal and business money.
2. Borrowing before validating demand.
3. Pricing low to compete instead of differentiating.
4. Celebrating sales while ignoring cash.
5. Trading without written contracts and payment terms.
6. Depending on one customer, supplier or platform.
7. Missing compliance deadlines and paying penalties.
8. Hiring family or friends without clear roles.
9. The owner doing everything and delegating nothing.
10. Copying competitors instead of serving a niche better.
11. Chasing grants instead of customers.
12. No regular meetings or numbers, so problems surface too late.
13. Opening a second branch before the first is systemised.
14. Treating marketing as posting rather than a measured acquisition system.
15. No succession or estate plan.

The promise is not a business that needs no one. It is a business that no longer needs you for everything.

APPENDIX A

Template library

Stage	Templates
1	Founder Readiness Profile, personal runway calculator, family agreement, Opportunity Scorecard, Founder Working Agreement
2	Interview script (BM and English), competitor sheet, experiment card, Business Model Canvas, unit economics calculator, validation report
3	Entity decision brief, Compliance Register, quotation and contract checklist, launch rehearsal checklist
4	Pricing calculator, break-even sheet, 13-week cash forecast, receivables ageing, finance control matrix, funding decision paper
5	Positioning statement, channel test card, CRM pipeline with stage criteria, follow-up sequence, referral programme
6	Fulfilment map, approved supplier register, purchase workflow, quality checklist, root-cause worksheet, remedy policy
7	Accountability chart, seat scorecard, job scorecard, structured interview guide, onboarding checklist, training matrix, People Analyzer, delegation agreement
8	BOS maturity diagnostic, vision organiser, SOP template (12 fields), KPI definition card, weekly meeting agenda, issues list, 90-day priorities sheet
9	Founder Dependency Register, Delegation of Authority Matrix, intervention log, continuity plan, absence test review
10	Expansion readiness test, expansion playbook, pilot card, innovation portfolio, succession and ownership plan

APPENDIX B

Glossary (English and Bahasa Malaysia)

English	Bahasa Malaysia	Meaning in this blueprint
Business Operating System (BOS)	Sistem Pengendalian Perniagaan	The agreed way the company sets direction, assigns ownership, works, measures and improves
Accountability chart	Carta Akauntabiliti	Seats by function, each with one owner and five key responsibilities
Weekly scorecard	Kad Skor Mingguan	5-15 numbers reviewed every week, each with an owner and target
90-day priorities	Keutamaan 90 Hari	3-7 measurable company goals for the quarter
Weekly leadership meeting	Mesyuarat Kepimpinan Mingguan	The fixed 90-minute meeting that runs the business
Issues list	Senarai Isu	Problems to be solved by root cause
Standard operating procedure	Prosedur Operasi Standard (SOP)	The written standard for a recurring task
Decision rights	Hak Membuat Keputusan	Who may decide what, within which limits
Delegation of Authority Matrix	Matriks Delegasi Kuasa	The approval limits table
Cash flow forecast	Unjuran Aliran Tunai	Week-by-week expected receipts and payments
Working capital	Modal Kerja	Money tied up in stock, work in progress and receivables
Break-even	Titik Pulang Modal	The volume at which contribution covers fixed costs
Customer acquisition cost	Kos Perolehan Pelanggan	What it costs to win one new customer
Founder dependency	Kebergantungan kepada Pengasas	Work or decisions that only the founder can do
Succession plan	Pelan Penggantian	Who takes over each key seat and ownership

APPENDIX C

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This blueprint is educational material, not legal, tax or financial advice. Confirm current obligations with the relevant authority or a licensed professional before acting.

APPENDIX D

Photocopiable worksheets

> *Eight working tools for your own business. Copy them, fill them in with a pencil, and keep them in one folder: this is the start of your Business Operating System.*

Form	Tool	Used in
1	Founder readiness and runway	Stage 1
2	13-week cash forecast	Stage 4, Chapter 10
3	Weekly scorecard	Stage 5, Chapter 9
4	One-page SOP	Stage 8, Chapter 6
5	Accountability chart	Stage 7
6	Weekly meeting agenda and issues list	Stage 8, Chapter 8
7	Delegation of authority matrix	Chapter 7
8	Founder dependency register and intervention log	Stage 9, Chapter 15

1 Founder readiness and runway

Know what you can afford to risk before you spend a ringgit.

BUSINESS _____ PREPARED BY _____ DATE _____

1. WHY AM I DOING THIS? (WRITE TWO SENTENCES)

2. PERSONAL RUNWAY

Item	Amount (RM a month)	Notes
Housing (rent or loan)		
Car and transport		
Food and household		
Family support and education		
PTPTN and other loans		
Insurance, medical and other		
Total monthly need		

Runway	RM	
Cash I can set aside for living costs		
Months of runway (cash ÷ monthly need). Target: 6 to 12		
Maximum I will risk in this business (money)		
Date I will stop or review if there is no traction		

3. FAMILY AGREEMENT

Who	What we agreed (hours, money, support)	Signature

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

2 13-week cash forecast

See a cash problem three months before it arrives.

BUSINESS _____ PREPARED BY _____ DATE _____

Update every Monday. Record cash actually expected to move, not hoped for. Week 1 = this week. Use pencil.

Week	1	2	3	4	5	6	7	8	9	10	11	12	13
Opening cash													
Customer receipts													
Deposits and progress claims													
Other income													
Total cash in													
Suppliers and materials													
Salaries and EPF/SOCSO/ EIS													
PCB and tax													
Rent and utilities													
Loan repayments													
SST / other taxes													
Other costs													
Total cash out													
Closing cash													
Minimum cash I must keep													
Gap or surplus													

ACTIONS TO CLOSE ANY GAP

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

3 Weekly scorecard

Numbers, not feelings, run the weekly meeting.

BUSINESS _____ PREPARED BY _____ DATE _____

Weekly numbers, reviewed in the weekly meeting. Keep at most 10 to 15 measures; each has one named owner and a target. Red means below target: add it to the issues list.

Measure	Owner	Target	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12	W13
e.g. New qualified leads	*Sales*	*25*													

SUGGESTED STARTER MEASURES

Qualified leads · quotations sent · quotation win rate · jobs delivered on time · defects or complaints · invoices issued · cash collected · overdue receivables (RM) · closing cash · gross margin %

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

4 One-page SOP

Write the way work is done once, so it no longer lives in your head.

BUSINESS _____ PREPARED BY _____ DATE _____

Field	Write it here
Process name and version	
Business result it protects	
Owner (one person)	
Trigger: what starts it?	
Inputs needed	
Steps (numbered, one action each)	
Decision points and who may decide	
Quality check: how do we know it was done well?	
Record kept and where	
Exceptions: when to stop and escalate	
Last reviewed / next review	

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

5 Accountability chart

Every important outcome has one owner.

BUSINESS _____ PREPARED BY _____ DATE _____

Seats, not names. One person owns each seat; one person may hold several seats while the business is small. Write each seat's five key outcomes.

Seat	Five key outcomes this seat is accountable for	Person today	Weekly number

GAPS: SEATS THAT NOBODY OWNS

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

Weekly meeting agenda and issues list

6

90 minutes, same day, same time, every week.

BUSINESS _____ PREPARED BY _____ DATE _____

Min	Agenda item	Notes
5	Good news and one personal win	
5	Scorecard: any measure red?	
5	90-day priorities: on or off track?	
5	Customer and team headlines	
5	Review last week's actions	
35	Issues: identify, discuss, solve	
5	Recap actions and who owns each	

ISSUES LIST

#	Issue	Owner	Decision / action	Due
1				
2				
3				
4				
5				
6				

7 Delegation of authority matrix

Staff stop waiting for you when the limits are written down.

BUSINESS _____ PREPARED BY _____ DATE _____

Mark who may decide alone (D), who must be consulted first (C) and who must approve (A). Set RM limits. Review every six months.

Decision	Staff	Manager	GM / integrator	Owner / board	RM limit
Discount on a quotation					
Accept a new customer on credit terms					
Purchase from a supplier					
Pay a supplier invoice					
Refund or goodwill credit					
Hire or dismiss staff					
Change a price list					
Sign a contract					
Borrow or give a guarantee					
Capital spend					

PHOTOCOPY FOR USE IN YOUR OWN BUSINESS

8 Founder dependency register and intervention log

Every rescue is a missing system. Write it down, then fix it twice.

BUSINESS _____ PREPARED BY _____ DATE _____

FOUNDER DEPENDENCY REGISTER

Dependency	Impact (1-5)	How often	New owner	How to remove it	Proved by

FOUNDER INTERVENTION LOG (EVERY TIME STAFF NEED YOU)

Date	Situation that needed me	Why only me?	Fix: rule, SOP, training or authority

Notes

Notes

iBOS.my

Intelligent Business Operating System

Your book is the blueprint. iBOS.my runs it for you.

iBOS is the Intelligent Business Operating System built for Malaysian SMEs. It turns the twelve components in this book into one workspace your whole team uses every day, so the system stays alive after the training ends.

01

Scorecard and dashboard

Your weekly numbers, cash and overdue invoices in one view, without chasing spreadsheets.

02

Sales, quotes and follow-up

Every enquiry captured, followed up on schedule and tracked to cash.

03

SOPs and tasks

Write the process once. Assign it, remind it, and see what is done or late.

04

Invoicing and cash control

Quotations, invoices, e-Invoice readiness and a live view of what you are owed.

05

People and accountability

Seats, approvals and delegation limits your staff can see and follow.

06

AI assistant with guardrails

Drafts and summaries that your team reviews and approves before anything goes out.

See iBOS in action

Scan the code or visit **ibos.my** to book a walkthrough and get your Business Operating System running in 90 days.

Book + Software = a company that runs itself