

CS-AM-B



اُنْهَرُ سِيَّتِي تَيْكُونُ لِي مَبَارَا
UNIVERSITI
TEKNOLOGI
MARA

FUNDAMENTALS OF ENTREPRENEURSHIP (ENT300)

CASE STUDY

**SHARING PLANET
FOOD & SERVICES**

PREPARED BY

FACULTY & PROGRAMME: FACULTY OF ADMINISTRATIVE SCIENCE & POLICY STUDIES

SEMESTER: 4

PROJECT TITLE: FOOD & SERVICES

GROUP MEMBERS:

- 1) DEVRY WELIN ANAK DURI (2017242704)
- 2) MELBIANA LUCY ANAK MELTON THOMAS (2017200992)
- 3) NUR IMAN ADRIANA BINTI JAME STEPHEN (2017260486)
- 4) SITI NURHAFIZAH BINTI WAHAP (2017231246)

**PREPARED FOR
PUAN SITI MARDINAH BINTI ABDUL HAMID**

SUBMISSION DATE

29 MARCH 2019

60/100


20/4/2019

EXECUTIVE SUMMARY

The case study is vital in order to evaluate the company's background, analysis, strength, problems and solutions that the company has provided. We have managed to gather prominent details about the company based on our interview with one of the company's branch manager.

Sharing Planet is a food & services company, started way back in 2007. Today, it is one of the most well-known western food franchise in Kuching. Its current branches includes Sharing Planet; Sharing Downtown; Sharing Too; and Sharing Tree. Sharing Planet's main attraction is their home-like feel of its interior design, catered to make customers feel just at home and in comfort. Furthermore, they are notorious to having a big portion of food with affordable price and making it enjoyable to share with others. Some of the problems that they are currently facing are financial cost, strong competitors within the same industry and employee discipline. As any other restaurant, they struggle to compete with those of the same industry because of its similar layout in terms of, menus design, target market and etc. Regardless of that, they were able to open more than one branch of restaurant as they were capable to gather the attention of those in the Kuching Area

In short, despite the shortcomings and challenges that they face, Sharing Planet as a company was able to fight through a tight industry, manage to put their name on the map and still continue to flourish their business until today.

INTRODUCTION

The study of Entrepreneurship is vital for students to gain their knowledge, skills and experience towards advancing the business world. It does not only provide opportunity for those who have their eyes on managing a company but also encourages them to set up their own business. The knowledge of entrepreneurship are not only offered in the university level but in fact since the primary level. For instance, "Perdagangan" subject is taught under Kemahiran Hidup Bersepadu which is under its main subject in secondary level.

Entrepreneurship involves not only the process that leads to the setting up of a business entity but also the expansion and development of an on going concern. The study of entrepreneurship is concerned with the entrepreneurial behaviour, the dynamics of business set up and expansion and development. According to Richard Cantillon (1755), an entrepreneur is a person who undertakes to do a job. The term entrepreneur is a French word while Malaysia use the term 'usahawan' to refer it. On top of that, John Stuart Mill (1848) stated that an entrepreneur is a prime mover in the private enterprise. The entrepreneur is the fourth factor of production after land, labour and capital. Meanwhile, the entrepreneur is seen as a knowledgeable individual and is instrumental in the development of a city - state where enterprise will emerge from the Islamic perspective lay out by Ibn Khaldun.

In order to become an achievement oriented entrepreneurs, there are few characteristics that one needs. He or she must possess a drive to achieve state of mind which is an internally driven self starter with strong desire to compete with others. In addition, to excel with self imposed standard and pursue the challenging goal. Next, one also need to be a calculated risk taker because a high achiever tend to take moderated or calculated risk. It is to examine the situation and determine how to increase the chance of winning while competing with other competitors. These people make their effort in order to get the odds in their favour and at the same time avoid unnecessary risks. Besides, having high integrity and reliability are crucial to build and sustain trust among the associated people in the business world. This also helps to endure the relationship between entrepreneurs, partners, customers, suppliers and stakeholders.

The importance of entrepreneurship is the symbol of business steadfastness and achievement. This is because entrepreneurial revolution is critical to the economic growth. Entrepreneurship also represent the working future for many of us due to lays off by large organization and shrinking of job opportunities for graduates. Next, it is also synonymous to the creation of new venture and small businesses. Safety Management Information system have been important contributors to local economic growth. Any services that the large

corporation has neglected or lack of economy of scale for the large corporation to serve will be provided by the entrepreneurial Safety Management Information system.

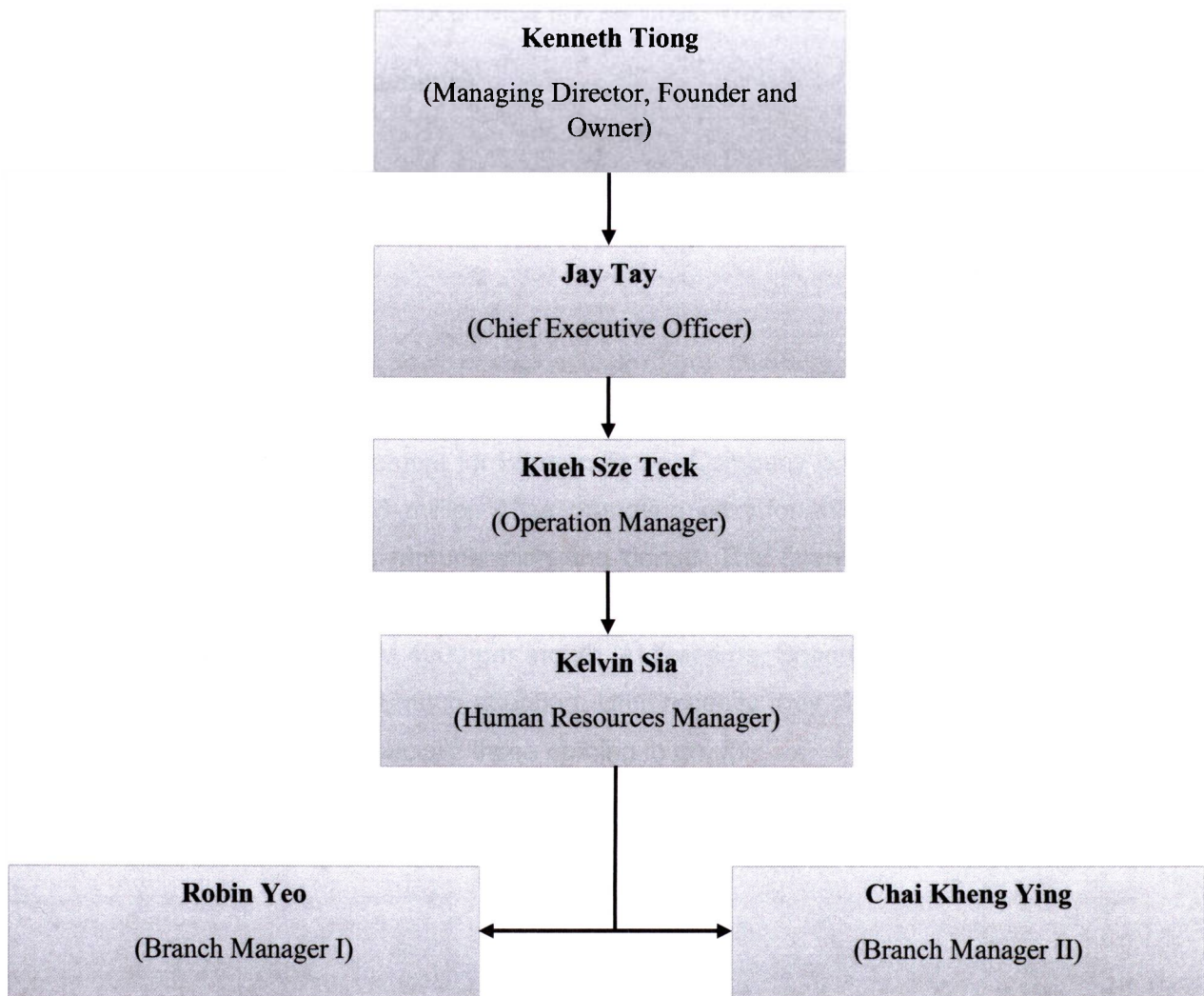
However, there are indeed challenges ahead an entrepreneur journey which need to be solve. It is an undeniable fact that in any industry regardless, there bound to be a face off among the competitors from the same background. Such examples are like competition within the entertainment industry or the oil and gas industry itself. The first challenges will be the process of hiring qualified workers. This is due to the time consume with the need to review every applicants resume, conducting interviews and going through thorough evaluation process. Next, an entrepreneur need to know which marketing strategies will be advantages for the company in order to gain more profit instead of losing cash for useless marketing. Nowadays, along with the modernisation and on going evolve mass media, entrepreneurs need to master these existing facilities to not miss out the trend. Last but not least, the unavoidable major challenges will be business funding. This is due to the unstable economic state and the threats with the value of money currency. Whenever this problems arise, a businessman need to act fast with high analytical conceptual skills as to prevent further bigger issue.

COMPANY INFORMATION

Background

Sharing Planet is a western cuisine restaurant owned by Kenneth Tiong, a Chinese man graduated from Sunway College. He does not come from a family with a business background. His mother is a housewife meanwhile his father is one of the Managing Director for York Manufacturing Sendirian Berhad (Kuching Branch). Kenneth Tiong held a position as a Managing Director for Sharing Planet and was also the founder of the company. In 2007, Sharing Planet operated as a coffee shop at Stapok, but they did not receive enough support from the community. So, they decided to change their food line from a coffee shop to a western cuisine-based restaurant in 2008. After going through a big change, Sharing Planet has become the talk of the town as they are the only one that serving a big portion of western food during that time. They then expanded their branches throughout Kuching which are Sharing Downtown at Ban Hock Road, Sharing Too at CityOne Megamall and Sharing Tree at Metrocity. The company currently having 80 employees to operate all branches. The restaurant operating hour is from 11:00 a.m. until 11:00 p.m. and it is open every day.

The diagram below shows the organizational structure for Sharing Planet Company. The diagram illustrated that the position of Managing Director, Founder and Owner is held by Kenneth Tiong. He is responsible for the performance of the company and closely monitoring the operating and financial result against plans and budgets. Next is the Chief Executive Officer position that is performed by Jay Tay. He is the one that making most of the business decisions including interviewing and hiring staff. The Operation Department is led by Kueh Sze Teck. He oversees the outlets operation and dealing with the suppliers. On the other hand, Kelvin Sia headed the Human Resources Department. He is responsible in planning, monitoring and coordinating the employee benefits and suggesting employee training and development. Lastly, the branch manager is led by Robin Yeo and Chai Kheng Ying. Both will monitor two branches each. The branch manager is accountable in execute branch sales to maximize revenues and preparing the financial statements for the head office. They also need to develop business strategies to the branch staff.



The business model for Sharing Planet is sole proprietorship which means it is not a legal entity. A sole proprietorship can operate under their own name or a fictitious name because the name will not create a legal entity separate from the owner. So, a person who owns the business is personally responsible for his business's losses and debt. In term of taxation, the income and losses are taxed on the individual personal income tax return. The income earned by a sole proprietorship is income earned by its owner. The sole proprietorship is popular because of its simplicity and ease of set up. The owner only has to register his name and secure a local license to get the business ready to operate. So, in Sharing Planet, Kenneth Tiong is the one that will earn the income of the company and he also responsible for the losses and debts.

Sharing Planet is a company that provide few services. These are the services provided:

- Dine in service (restaurants)
- Catering
- Home gathering
- Buffet
- Delivery service
- Function room

The financial achievement for Sharing Planet Company is not specifically stated but the averaged revenue is RM 6 million. The operating cost for this company is RM 3 million including rental fees, staff's remuneration and bonus. This financial achievement is including all the branches. Nevertheless, in 2010, Sharing Planet Company face a sudden crisis where the company only earned RM 4000 per month. At that time, Sharing Planet was still new in this industry and did not get that much attention. Until recently they changed their serving portion, to attract more customer especially those coming in groups.

COMPANY ANALYSIS

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> ● Serve unlimited of western menu in big portion enough for sharing. ● Friendly and approachable staffs. ● Warm, modest & comfort feels surround with nature-like decoration. ● The location of the shop is near to the city centre. 	<ul style="list-style-type: none"> ● Only provide western food range which may not suit other possible customers' taste. ● Does not fully served western food as most of them are only variety of meat. Need to include more dessert and pastries. ● Expensive beverages need to be lower down to avoid over pricing for regular drinks.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ● The western culture never lost it place among the youth in Malaysia even though face with the constant changes. Thus, their food venture will see further growth in the future. ● Expand and find new market segment outside of the state. Attract more different groups of customer, range from wide culture perspective to enhance the business. ● One of the service provided which is food catering will surely enable the company to gain more profit. This is due to the constant events that people might hold and knowing the fact that there is ease for catering simply convenient. 	<ul style="list-style-type: none"> ● The influx of newcomers into the western food line has create great competition. ● Price war between competitors: A bit pricey compare to other regular diner around which equivalent to the serving portion and types of the food serve. ● Taxation enacted by the government such as the sales and service tax has significantly affect the pricing of goods and services overall. Thus, incremental in the prices of menu happen even though it may still affect the loyal customers.

BUSINESS PROBLEM

One of the major problem that is currently faced by Sharing Planet is having a lot of competitors, not only the same western cuisine industry but also the food & services franchise in general. The food industry is a very tight-knit industry as there are a lot of restaurants, cafes, diner, & etc. in general, and because of these variety in restaurant, the market share for each restaurant is divided as they have to share their customers.

Furthermore, another major challengers they are facing is financial problem in terms of its operating costs, the newly imposed tax on Sugar, and wages of fixed and part-time staffs. Due to our economic factors, Sharing Planet found it difficult to maintain a reasonable price for customers, to balance the rise of price of goods with the change of Government Service Tax (GST) to Sales & Service Tax (SST), and the imposition of Sugar Tax on beverages. Thus, it's hard for them to gather revenue & profits.

ALTERNATIVE SOLUTION TO THE PROBLEM

- 1) Improve services and customers' satisfactions by offering better customer services, quality of product, and advertising. Customers have a tendency to go to shops that cater to their wants and demands. For instance, marketing and advertising shops on platform where more people would see such as social media; Instagram & Twitter.

ADVANTAGES:

- 1) Increase in efficiency of workers, calibre of products, and amount of customers.

DISADVANTAGES:

- 1) Lack of support from both workers and potential customers.
- 2) Marketing your individuality by improving your shop's attraction to customers. It should prioritise on how your company can stand out more than others so that customers will want to go to your shop. For instance, conducting a market research on your company's strongest menus and outsourcing a marketing strategy to the marketing department.

ADVANTAGES:

- 1) Customers will come to the shop because of its own individual characteristics that is able to peak their interest more, than other shops.

DISADVANTAGES:

- 1) Conducting a research requires more investment of finance.
- 3) Do a cash flow management by having proper budgeting and financial planning. It allows the company to estimate the value of potential profit or loss, annual budget, records of cash inflow and outflow, and how much money they can have at time.

ADVANTAGES:

- 1) Enable the company to plan ahead of time, their budget and estimated expenses to avoid any shortage of money.

DISADVANTAGES:

- 1) Lack of having a capable person to properly set up a budget and financial planning.
- 2) Failure to record the right amount of budget, profit, loss, or records of cash and inflow of outflow.
- 4) Do a monthly review on how things are going in the financial plan. If there are no moving progress with the current strategy, find another financial plans that can boost up your monthly revenue. In order to get a different outcome, it'll require a different scheme.

ADVANTAGES:

- 1) Allow the company to change strategy ahead of time, in case the original scheme does not work.

DISADVANTAGES:

- 1) Issues on formulating another plan and transitioning from another one plan to another would take a long time.

RECOMMENDATION OR IMPROVEMENT

The first recommendation or improvement that need to be done by the company is they need to improve their services and customers' satisfactions by offering a more better customer services. This can help to increase the efficiency and effectiveness of the workers and smooth the business. The company can measure the customer service levels by implementing feedback or surveys for customers. The company can also improve their customer service by rewarding their customers for loyalty. A loyalty programme can also be used to increase the sales volume and create a new customer base.

Providing the customers with a high-quality products at the same price as other competitors is one of the quickest way to set our company apart from the competition. Quality is everything when it come to growing the business. A company need to spend time to plan, organize top-notch quality products or services in everything that they do. Since there are a lot of competitors within the business, the company need to came out with a creative and interesting idea to promote and advertise their business to the public. This is to important to attract more customers to come to their shop and enjoy the products and services that the company has provided. For instance, the company can use social media such as Facebook and Instagram as a platform to promote their shop to the local and foreigners.

Besides, the company also need to serve over everything and pay more attention to what they think is right rather than to what the customer has to say. For example, if the customer is not satisfied or happy with the products or services, they need to do everything in their own power to make the customer happy. Give them what they want and if he or she is the one that is wrong, the company need to take initiative to fix things and correct them immediately.

Last but not least, the company must also conduct a market research so they will know what are the things that the company lacks off. It is essential for the company to do so as they will able to improve their financial planning and overcome costing problem. Good practice in financial planning in business requires the development of realistic targets that align with both the strategic plan and historical trading activities. They also need to review the industry trends and other information available that will assist in preparing a credible assumptions and targets. The company must also do a regular comparison of budget against the actual financial results so they will able to gather the profit and revenue easily.

APPENDICES

TERMS AND CONDITIONS

- 1 Minimum order for in-house catering : 35 pax
Minimum order for delivery catering : 50 pax
- 2 Cutlery and plates will be provided.
Lost of items will be charged.
- 3 Fees include decorative buffet line, chafing dish, and buffet related arrangements.
- 4 Extra delivery charge applies to location exceeding 15 km radius from Sharing Planet @ Stapok.
- 5 Confirmation is needed 7 working days in advance.
- 6 Extra dining tables = RM20
Extra chairs = RM3
Service personal = RM35
- 7 Payment is acceptable in cash term or debit/credit, direct bank-in to CIMB 8108 688 596.

For inquiry, contact us at :
016-8927771 (Sharing Planet Stapok Hotline)
016-8529646 (Mr. Kelvin)

*Product shown are for illustration purposes only.

SHARING PLANET CATERING SERVICE

Name : _____
 Contact Number : _____
 Date : _____ Time : _____
 Number of guests : _____

THIS CATERING SERVICE IS FOR :

Birthday Party Full Moon Party
 Gathering Wedding Reception
 Seminar Corporate Catering
 Annual Dinner Farewell

OTHERS PLEASE STATE :

Preferable Outlet :-

Sharing Planet @ Stapok
 Sharing Downtown @ Ban Hock
 Sharing Tree @ Matang Metrocity

Address : _____
 (Home Catering only)

Total Amount RM
 Total Deposit RM
 Balance RM



YOU'LL NEVER EAT ALONE

SHARING PLANET CATERING



WhatsApp us on 016-8927774



Like us on Facebook



Follow us on Instagram



