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UNIVERSITI
TEKNOLOGI
MARA

FUNDAMENTALS OF ENTREPRENEURSHIP (ENT300)

BUSINESS PLAN

PROVE IT! SDN. BHD.

PROOFREAD BUSINESS

PREPARED BY

FACULTY : **FACULTY OF ADMINISTRATIVE SCIENCE & POLICY STUDIES**

PROGRAMME : **DIPLOMA IN PUBLIC ADMINISTRATION**

SEMESTER : **4**

PROJECT TITLE : **PROVE IT! SDN. BHD. – PROOFREAD BUSINESS**

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SUBMISSION DATE

21 MAY 2019

77/100
21/5/2019

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Madam,

Submission of the Business Plan Report ENT 300.

2. According to the title above, we would like to submit our business plan for our **Prove It! Sdn. Bhd.** We also include all the details, example, and documents for our business that will be operating at UiTM Samarahan Campus 2.
3. This business plan report also consists of important components and aspect that have been considered in the beginning of the business. It includes our business background, administration plan, marketing plan, operations plan and financial plan.
4. The list below is the list of the group members that fully involved in completing this business plan report:

- **Devry Welin Anak Duri** **2017242704**
- **Melbiana Lucy Anak Melton Thomas** **2017200992**
- **Nur Iman Adriana Binti Jame Stephen** **2017260486**
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Thank you.

Yours sincerely,



(MELBIANA LUCY ANAK MELTON)

General Manager,
Prove It! Sdn. Bhd.

TABLE OF CONTENT

NO.	CONTENT	PAGES
1.	Executive Summary	1
2.	Introduction	2 - 3
3.	Purposes of Business Plan	4-5
4.	Business / Company Background	6
5.	Partners / Shareholders Background	7-8
6.	Administrative Plan: 6.1 Introduction 6.2 Location Plan 6.3 Organizational Chart 6.4 List Of Administrative personnel 6.5 Schedule Of Task And Responsibilities 6.6 Schedule Of Remuneration 6.7 Administrative Budget	11-17
7.	Marketing Plan: 7.1 Introduction 7.2 Service Description 7.3 Target Market 7.4 Market Size 7.5 Main Competitors 7.6 Market Share 7.7 Yearly Sales Forecast 7.8 Marketing Strategy 7.9 List of Marketing Personnel 7.10 Schedule of Task and Responsibilities 7.11 Schedule of Remuneration 7.12 Marketing Budget	18-25
8.	Operation / Production Plan: 8.1 Introduction 8.2 Process flow chart 8.3 Capacity planning 8.4 Material requirements 8.5 Machine & Equipment Planning 8.6 Supplier 8.7 List of personnel 8.8 Schedule of task and responsibilities 8.9 Manpower planning 8.10 Schedule of remuneration 8.11 Overhead requirements 8.12 Location Plan 8.13 Operation space layout plan 8.14 Operation budget 8.15 Operating hours	26-38
9.	Financial Plan: 9.1 Capital Expenditure Projection (CAPEX)	

	9.2 Pre-Operating & Working Capital Projections (WCAPITAL) 9.3 Sales & Purchase Projections 9.4 Project Implementation Cost 9.5 Sources of Project Financing 9.6 Loan Amortization Schedule 9.7 Depreciation of Fixed Assets 9.8 Pro-Forma Cash Flow Statement 9.9 Pro-Forma Income Statement 9.10 Pro-Forma Balance Sheet 9.11 Financial Performance	39-55
10.	Conclusion	56
11.	References	57

1.0 Executive Summary

The process of analysing business opportunity is vital in order to evaluate the company's future, strength, weaknesses and forecasting our business revenue. Our company is called Prove It! Sdn. Bhd. and focus on service delivery for proofreading.

Our investment in the proofreading industry is based on the belief of ours that the business has potential to grow and developed wonderfully. There is very little amount of competitors in the industry itself, as they mainly focuses more towards printing services. With proper marketing and advertisement, we may bring awareness to the public, and mostly our aimed clients, to the existence and perception of this specific industry. Furthermore, proofreading is a skill that we need have a clear understanding on, and in order to do so we must polish our skills even better by attending courses to increase our performance. As our interest in proofreading and experience combine together, we are certain on the choice we took for this company venture.

Our physical shop will be open at UiTM Kota Samarahan Campus 2 but we will provide our services for both clients from UiTM Kota Samarahan Campus 1 and 2. We choose this particular location because we see a great number of potential customers which mainly comes from students. That being said, our main target customers are mostly university students although we are open for lecturers and staffs of the university as well. We realise that a proofreading service is very much indeed needed especially for students as we are students ourselves too. In addition, after much findings, we have found that no other company nearby that offer same service like us which is the proofreading.

The location can also be considered strategic because we are not far from suppliers and it is in a develop town area. Our business will not be affected much by the government policies which is the service and sales tax as in finance part, there are not much of a raw materials or assets that incur big values. Thus, our expenses will not be much and we can offer cheap services price for customers.

In marketing aspect, we will fully utilize the ease of social media and online network. Our customer can send their documents to be proofread via Gmail, WhatsApp and Telegram while payment can be made through online banking. This will also become our main strategy and action for marketing and promoting as we will mainly done it through our company official account in Facebook and Instagram. Customers can visit our office at UiTM Kota Samarahan Campus 2 if they want to get their printed documents and directly make payment. In conclusion, our company aim for efficient, easy and trustworthy service delivery.

2.0 Introduction

2.1 Name of the business

Our company's name is Prove It! Sdn Bhd. We use the name " Prove It," As our company's name is because it is unique compare to the other business's name. We also choose this name because of the word "Prove" which means that we wanted to show and prove to the customers that our business is the best in term of our quality and effectiveness when we run our business. This name is catchy and easy to be remembered by the customers as there are no company that use this kind of name in Kota Samarahan area. With the unique and rare name of our shop, we hope that we can attract more people to come to our shop and use the services that we offered.

2.2 Nature of business

The main services that we offered is proofreading. It is a service where we review the customer's draft or documents and check the spelling or grammar and correct it if there is an error in term of spelling, grammatical and punctuation. We also offer other extra services such as printing and photocopying.

2.3 Name of partners

This business is founded by 4 partners. They are Ms. Melbiana Lucy Anak Melton as the General Manager, Ms. Devry Welin Anak Duri as Financial Manager, Ms. Siti Nurhafizah Binti Wahap as the Marketing Manager Ms. Nur Iman Adriana Binti Jame Stephen as the Operational Manager and Ms Zahirah Binti Aiman as the Administrative Manager.

2.4 Location of the business

The premise is located at UITM Campus Samarahan 2, Jalan Meranek, 94300 Kota Samarahan, Sarawak as our main HQ is at this place. The location can be considered as strategic since there is a lot of students and UITM staff here as our main targeted customers are students and the staff. Kota Samarahan is also a place where there is a lot of educational institution and universities such as UITM Campus Samarahan 1 and more. We do believe that if we open our business in this area, we will be able to get many customers as students do need proofreading services for their assignment or any important documents.

2.5 Date of business commencement

We have registered our company on 5 November 2019. Our business will start to move on 1 January 2020 and this date are same as our company date of commencement.

2.6 Future prospects of the business

Our future prospects are we want to be the first choice of customers in proofreading industry in the state of Sarawak and everywhere in Malaysia. Next, we will produce the highest quality of proofreading services to all our customers and will continuously improve all the aspects of our business and services. Lastly, we will also create a quality standard in the proofreading industry by using the latest equipment and technology to compete with other competitors.

3.0 Purposes of Business Plan

Business plan is a set of documents prepared by an organization's management to summarize its marketing, operational, and financial objective for the near future. It also provides step-by-step guideline once we started our business. It also gives an idea on how to achieve the organizations goals. This business plan is very important to a new company like Proof It! Sdn. Bhd. because it may help us to maintain our business longer in the Malaysian market.

3.1 To evaluate the project viability and growth potential

Everyone in the company will use the same information contained in the company's business plan, whether to set performance targets, guide decision-making with regard to on-going operations, or assess personnel performance in term of their ability to meet objectives that set forth in the business plan. A company's performance and progress can be measured within planned goals involving sales, expenditure, time frame, and strategic direction. Business plans also help an entrepreneur or business manager to identify and focus on potential problem areas, both inside and outside the company.

3.2 To apply for loans or financing facilities from the relevant financial institutions

The business plan shows the financial strength of the company especially when applying for loans and to convince the investors towards providing funds or other financial institution. The investors or financial institutions will evaluate a company's ability to handle more debt and in several cases, equity financing. The business plan documents the company's cash flow requirements and provides a detailed description of its assets, capitalization, and projected financial performance. It also provides financial lenders and investors with verifiable facts about a company's performance so that the risks can be accurately identified and evaluated. If the company has good business planning, they will be interested in investing in the company. For the financial institution, they will be more confident in lending to the company to finance the company's business activities. So, the good business plan will play an important role to the company to get their fund for financing the business activities.

3.3 To act as a guideline for the management of the proposed business

This business plan is a guideline for the organization in setting, planning, managing, handling and controlling our business for day to day management, budget, financial forecast,

strategies, target market and even being long term goals. It is also as a master plan of an organization that necessary to calculate the effectiveness on running such business. A successful business leader know that a well- written business plan can provide day-to-day operational assistance. Organization that stay concentrated on their business plan have a higher chance to success when use a road map as it can help the business leader to stay focused on business growth, mission and organization's goals.

3.4 To allocate business resources effectively

The business plan plays a key role in allocating resources throughout a business so that the company can meet the organization's objectives. The company can use the business plan as a road map for helping the business leaders to stay focused on business growth, mission and organization's objectives. For example, when a company are reviewing their business plan to cover the next stages, it is important to be clear on how they will allocate their resources to make their strategy work. If a particular department in the company has been given a target, the business plan should allocate enough resources to achieve it. These resources may already be available or may be generated by future activity. It means, the company should recruit more office staff, spending more on marketing or buying more supplies and equipment. The changes in the market could means that there are increased opportunities for a certain division. Maximise on this by making sure they have enough resources to increase their activities.

4.0 Business / Company Background

Name of the Business/Company	Prove It! Sendirian Berhad
Business Address	Pusat Pelajar Seri Kenyalang, Universiti Teknologi Mara (UiTM) Campus Samarahan 2, Jalan Meranek, 94300, Kota Samarahan
Email	Proveit!sdnbhd@gmail.com
Telephone Number	09-97043585
Form of Business	Sole proprietorship
Main Activity (ies)	Proofreading
Date of Commencement	1 January 2020
Date of Registration	20 November 2019
Initial (own) Capital	RM 32818
Name of Bank	CIMB Bank
Bank Account Number	1511 3612 5423

Administrative Plan

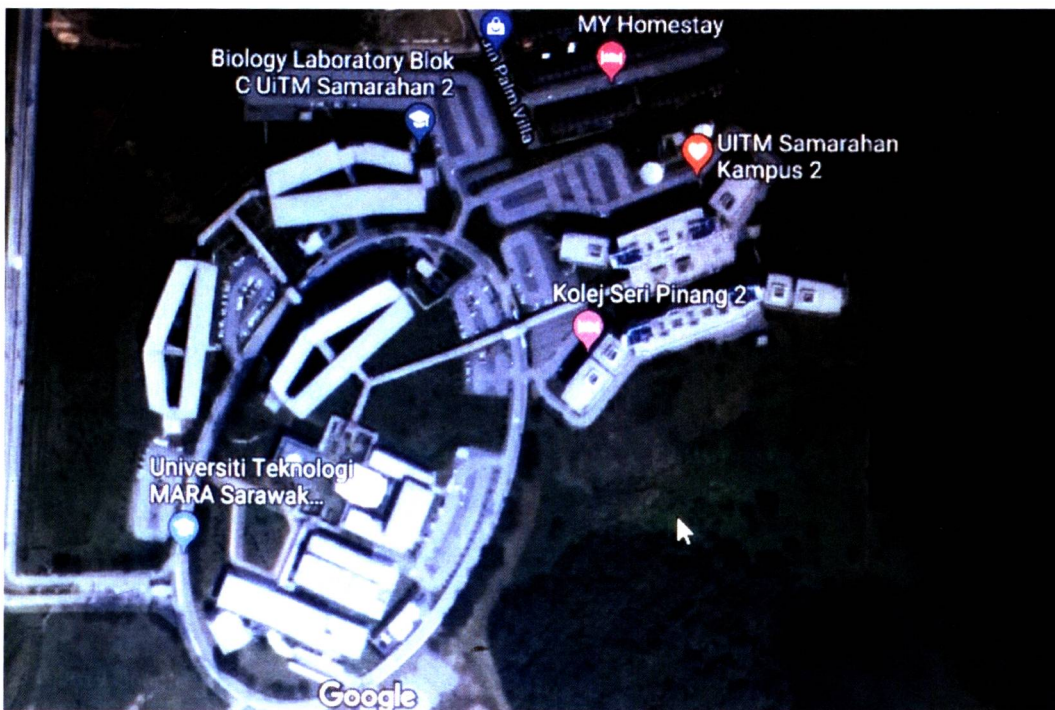
6.0 Administrative Plan

6.1 Introduction to the organization:

6.1.1 Address

Prove It! Sdn Bhd is located at Pusat Pelajar Seri Kenyalang, Universiti Teknologi Mara (UiTM) Campus Samarahan 2, Jalan Meranek, 94300, Kota Samarahan, Sarawak. We desire to choose that place because there are many populations such as UiTM students, lecturers and UiTM staff who are our main targeted customers. Our shop is also near with our suppliers so it will be easy for us to get all the supply of the raw materials such as the A4 papers, printer ink and so on. Hence, this will help to save more time and ensure the effectiveness of our service.

6.2 Location Plan



Prove It! Sdn Bhd, Pusat Pelajar Seri Kenyalang, Universiti Teknologi Mara (UiTM) Campus Samarahan 2, Jalan Meranek, 94300, Kota Samarahan

6.3 Organizational Chart of Prove It! Sdn Bhd



Melbiana Lucy Anak Melton Thomas
General Manager/ Administrative Manager



Devry Welin Anak Duri
Financial Manager



Siti Nurhafizah Binti Wahap
Marketing Manager



Nur Iman Adriana Binti Jame Stephen
Operational Manager

6.4 List of Administration Personnel

Position	No. Of Personnels
General Manager & Administrative Manager	1
Marketing Manager	1
Financial Manager	1
Operational Manager	1

6.5 Schedule of tasks and responsibilities

Position	Tasks and Responsibilities
<p>General Manager (Melbiana Lucy Anak Melton Thomas)</p>	<ul style="list-style-type: none"> ● She will plan, implement and control the overall management of the business. ● Responsible in all company business and manage with efficiency. ● She will plan the company policy and procedure to achieve the company objectives. ● She has the ability to make decision because all the decision will affect the company business. ● She has the ability and an idea to plan other company activities in a long term. ● She will be accountable for the overall performance of the business.
	<ul style="list-style-type: none"> ● She will supervise administrative team members and ensure that daily

<p style="text-align: center;">Administrative Manager (Melbiana Lucy Anak Melton Thomas)</p>	<p>office operations are performed in a seamless and efficient manner.</p> <ul style="list-style-type: none"> ● She will supervise day-to-day operations of the administrative department and staff members. ● She will hire, train and evaluating employees, taking corrective action when necessary. ● She will develop, reviewing, and improving administrative systems, policies, and procedures. ● She will ensure office is stocked with necessary supplies and all equipment is working and properly maintained. ● She will build new and expanding existing skills by engaging in educational opportunities.
<p style="text-align: center;">Financial Manager (Devry Welin Anak Duri)</p>	<ul style="list-style-type: none"> ● She will manage the financial and account activities of the company. ● She controls the company profit with control cash outflow and inflow of the company. ● She will make sure the forecast about the sales revenue at weekly and monthly. ● She will determine the company year budget and give suggestion to add income and reduce the cost. ● She will collect, interpreting and reviewing financial information. ● She will report to the management and stakeholders, and provide advice on how the company and future business decisions might be impacted.

<p style="text-align: center;">Marketing Manager (Siti Nurhafizah Binti Wahap)</p>	<ul style="list-style-type: none"> ● She will identify, develop and evaluate marketing strategies based on the knowledge of establishment objectives, market characteristics and cost and markup factors in Prove It! Sdn. Bhd. ● She will oversee the promotion of a business, service, product or brand. ● She will manage the marketing of a whole line of products and services, or be focused on one particular thing to promote ● She will in charge of a staff of marketing assistants.
<p style="text-align: center;">Operational Manager (Nur Iman Adriana Binti Jame Stephen)</p>	<ul style="list-style-type: none"> ● She will oversee the production of goods and/or provision of services. ● She will make sure an organisation is running as well as it possibly can, with a smooth efficient service that meets the expectations and needs of customers and clients. ● Managing quality assurance programmes. ● Researching new technologies and alternative methods of efficiency. ● Setting and reviewing budgets and managing cost. ● Overseeing inventory, distribution of goods and facility layout.

6.6 Schedule of Remuneration

Position	No	Monthly Salary	EPF (11%)	Socso	Total
General Manager	1	RM 2169.9	RM 275	RM 55.10	RM 2500
Administrative Manager	1	RM 1649.4	RM 209	RM 41.60	RM 1900
Marketing Manager	1	RM 1649.4	RM 209	RM 41.60	RM 1900
Financial Manager	1	RM 1649.4	RM 209	RM 41.60	RM 1900
Operational Manager	1	RM 1649.4	RM 209	RM 41.60	RM 1900
TOTAL	5	RM 8767.5			RM 10100

6.7 Administration Budget

TYPE	FIXED ASSET COST (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
<u>Fixed Asset</u> Furniture & fitting	5000		
<u>Monthly Expenses</u>			
1. Salary		10100	
2. Unifi bill		140	
3. Loan payment		1007.75	
<u>Other Expenses</u>			
Deposit:			
1. Rent			2500
2. Electricity			700
3. Water bill			200
TOTAL	5000	11247.75	3400

Marketing Plan

7.0 Marketing Plan

7.1 Introduction

The Marketing Department is responsible in marketing planning for a company to make sure that the company can achieve the desired goals. According to Alexandra, T. (2019), "Marketing refers to activities undertaken by a company to promote the buying or selling of a product or service. Marketing includes advertising, selling, and delivering products to consumers or other businesses".

It is very important to do a marketing planning because it is a key part to a successful business. Through marketing planning, we can find out how to achieve desired profit for the company and satisfy the customers' needs and wants at the same time. Other than that, marketing planning is an essential to attract customers and make them stay loyal in using our service.

In our business, we are introducing a new service that is rarely provided by the others. There are no other company that runs a big proofreading service company other than Prove It!. This will make us special because it is a rare and unique kind of service. We take this specialty as our advantages to grow more in this industry. Therefore, our marketing planning will be much easier since there are less competitors for this industry.

7.2 Service description

Our company, Prove It! providing a proofreading service for various kind of documents such as assignments, letter, speech and report. We will examine the documents and fix the errors such as its format, grammar error, spelling, sentences and many more. This service will help our customer to increase the quality of their works.

Other than that, we also provide printing, photocopying, and binding services. To ease our customer, we also can help them to print out the documents that has been checked by us and bind it together. This makes our shop as a one stop centre for our customer.

7.3 Target Market

According to Mandy Porta, there are three ways to evaluate our target market. After doing a discussion and planning with the other department, we finally decided to target the UiTM students and staff to be our primary target market but we also will

provide our service to the outsiders such as customers from other nearby universities, schools and organization as our secondary market. First and foremost, we must choose a specific demographic to target. For our service, we choose to target our market based on the location, education level, and occupation. Our shop is located at the shop lot nearby Pusat Pelajar Seri Kenyalang, UiTM Samarahan Campus 2.

It is a very strategic location for UiTM students and staffs as they do not need to go out of campus to reach us and it will save their time. Since both campuses are not far from each other, the customers from Campus 1 can come to our shop easily as there are shuttle bus provided for both campuses. Next, we also considering the education level of our customers since most of them are students. The students especially the juniors from diploma level are not familiar with the format of the assignments in university level. So, we will target them to help them to get a good grade for their assignments. Moreover, students always have a bunch of assignments to do at the same time so they might overlook their mistakes. Other than students, we also targeting the staffs to be our target market because we can help them by checking their spelling, grammar and sentences usage in their work, report and letters.

Next, we should consider the psychographic of our target. It is the characteristics of the customers such as the personality, attitudes, interests, lifestyles and behaviour. Lastly, we must evaluate the targeted group to be our target market. We should consider if the customers can afford to pay our service, will they get benefit for using our service and are we easy to be reach.

7.4 Market size

Population: Students, lecturers and UiTM staff in both Campus 1 and 2.

Campus 1 = 5500 people

Campus 2 = 4500 people

Total population = 10 000 people

50% from the populations:

= 5000 people x RM 22 (500 words per document)

= RM 110, 000 sales per month

= RM 110, 000 x 12 months

= RM 1,320,000 sales per year.

Total marketing size

Per document: RM 15.40 (500 words)

50% from the industry:

$$= 50\% \times 5000 \text{ people} = 2500 \text{ people} \times \text{RM } 15.40$$

= RM 38 500 sales per month

7.5 Main Competitors

The main competitor for our service is Suria Printing Service.

<u>Strength</u>	<u>Weaknesses</u>
<ul style="list-style-type: none">• Exist earlier than our company• Open as early as 7 a.m.• Already have their regular customers• They also sell stationery	<ul style="list-style-type: none">• Expensive• Operation hour ends on 4:30 p.m.• Lack of staffs• Slow service

7.6 Market share

Market share is a comparative measure to assess performance against the competition.

No	Company	Amount (per month)	% (before)	% (after)	Amount (per month)
1.	Suria Printing	RM 110, 000	100	65	RM 71, 500
2.	Prove It!	-	-	35	RM 38, 500
Total		RM 110, 000		100	RM 110, 000

7.7 Yearly sales forecast (RM)

<u>2020</u>	<u>Sales (RM)</u>
January	38500
February	38500
March	38500
April	38500
May	38500
June	38500
July	38500
August	38500
September	38500
October	38500
November	38500
December	38500
Year 1 (2020) Total Sales	RM 462, 000
Year 2 (2021) Total Sales	RM 485, 100
Year 3 (2022) Total Sales	RM 533, 610

Year	Sales increase	Sales forecast
2020	-	RM 462, 000
2021	5%	RM 485, 100
2022	10%	RM 533, 610

7.8 Marketing Strategy

Strategy is very important for the marketing department. In order to boost the sales, we must ensure that our strategy can attract the customers to use our service. If the marketing department fails to market the products or services, the sales will decrease and the company's profit also will decrease. There are four elements of marketing strategies consists of product strategy, price strategy, promotion strategy and place strategy.

Service is intangible and cannot be seen or owned but it is useful, can be experienced and able to satisfy the customers' needs and wants. The product strategy refers to a product, service or a combination of both. In our company, we will ensure that the quality of our service is good and will remain consistent. The services provided by Prove It! is unique and can be differentiated from the competitors. Since there are less competitors in this industry, it will be easier for us to gain customers. We also offer an after sales services. If a customer used our service for every 5 times, they will be given a discount for the 6th times and then will be continue until the next 6th purchase.

Price is the value exchanged between the seller and the buyer in order for the buyer to possess, use or experience the product or service offered. Most often, price is in the form of monetary value paid by the buyer to obtain the product or services. In Prove It!, we set the price based on the competitor's pricing. We took only 70% from the competitor's price. As we can see in the Market Size, the competitor set their price for RM 22.00 for 500 words meanwhile Prove It! Sdn. Bhd is only RM 15.40 for 500 words. The cheaper price offered will attract more customer.

On the other hand, we also will strengthen our promotion strategies. Promotion is any coordinated effort taken to supplement the product, price and place strategies in order to achieve marketing objectives. In Prove It!, we offered few packages for our customer such as Proofread + Printing Package with an affordable price. Other than that, we will provide a Royalty Card for our customer to redeem their discount for every 6th purchase. The royalty card will make the customer continuously want to use our service to redeem the discount offered. Moreover, we will be collaborating with the Majlis Perwakilan Pelajar UiTM Samarahan (MPP), to promote our service for UiTM students. The MPP will advertise our service in their social media pages and we will provide discount for their organization every time they use our service. In addition, we will create our own social media page such as Instagram, Facebook and Twitter to promote our service. Most of the promotions will be announce on our social media as it is our main platform to advertise our proofreading service. Then, we also will hang

our banner outside our shop to inform the customers about our available ongoing promotions.

The last elements are Place Strategy. This strategy refers to the decision made on the location of the business. The location of Prove It! is very strategic because it is located at Pusat Pelajar Seri Kenyalang, UiTM Campus Samarahan 2. It acts as a one stop centre for the customers as we will proofread the documents, print it afterwards and bind it together. This will ease our customers because they do not have to go print on their own as we also provide printing and binding services with a cheaper price. The customers can easily pick up their documents at our shop and if they are from Campus 1, they can easily come to Campus 2 as both campuses are not far from each other.

7.9 List of Marketing Personnel

Position	No. of Personnels
Marketing Manager	1

7.10 Schedule of tasks and responsibilities

Position	Tasks and Responsibilities
Marketing Manager	<ul style="list-style-type: none"> • Developing the marketing strategy for the company in line with company objectives. • Overseeing the company's marketing budget. • Developing a pricing strategy that maximizes profits and market share but considers customer satisfaction. • Prepare plans to promote the services provided • Identify the needs of the customer.

7.11 Schedule of remuneration

Position	No.	Monthly Salary	EPF	Socso	Total
Marketing Manager	1	RM 1649.4	RM 209	RM 41.60	RM1900

7.12 Marketing Budget

Type	Fixed Asset Cost (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Capital Expenditures/Fixed Asset	Banner RM 2000.00	Promotions RM 250.00	-
Working Capital/ Monthly Expenses	-	Salary RM 1900.00	-
Other Expenses	-	-	-
Total	RM 2000.00	RM 2150.00	-

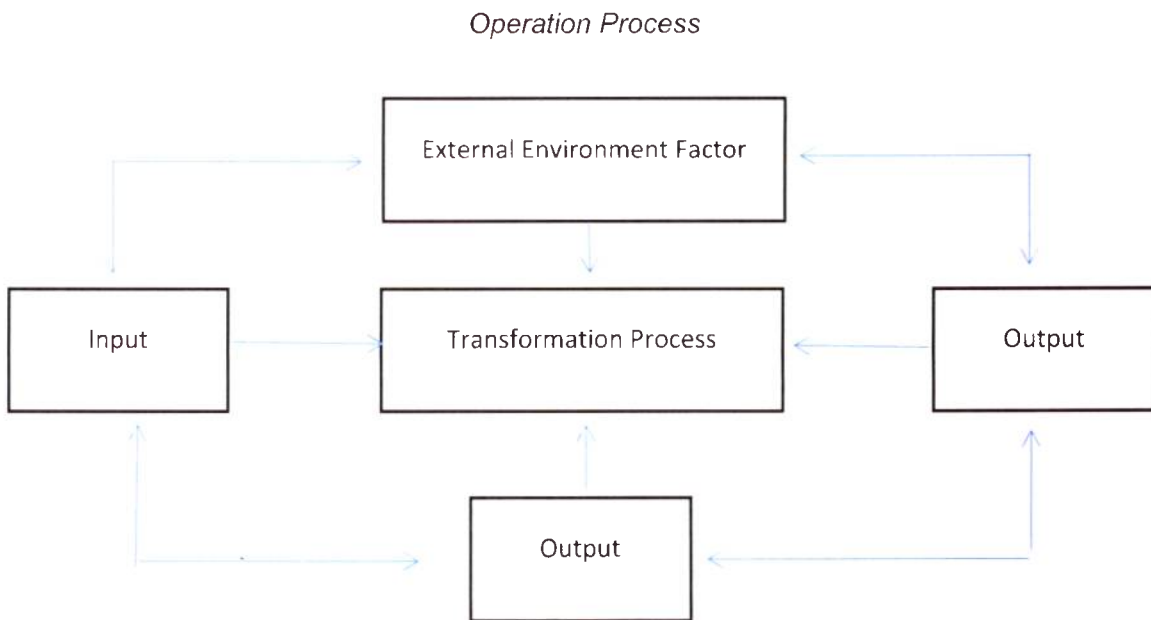
Operation / Production Plan

8.0 Operation Plan

8.1 Introduction

The operation process is one, if not, the most important function in a business organization. They play an important role in ensuring that business will be able to properly execute their business, produce their products, deliver according to the required standards and specifications of quality and time expected by the clients. Operation management can be defined as the process of marshalling business input to transform them into output in the form of product or services.

Components in operation system includes, the business input, transformation process, output, feedback, and external environment.








Operation plans are strategized so that businesses are able to produce their products and provide services that the businesses are planning in the marketing plan.

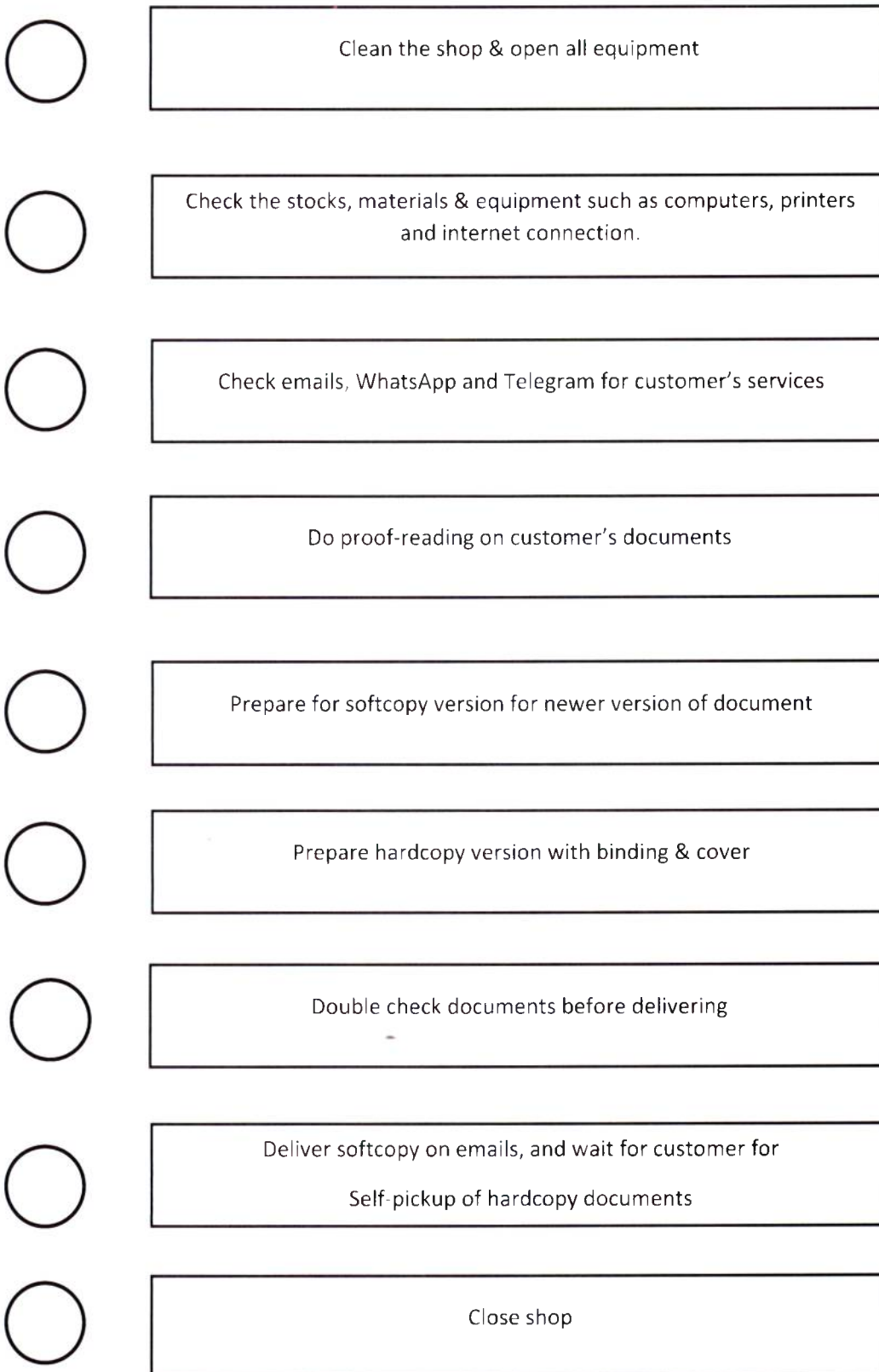
8.2 Process flow chart

Process flow chart consists of the identification of step-by-step processes from the beginning to the end in producing products and giving the services. For those in the service business, the process planning will explain all the steps that should be taken from start to finish to provide the service to the customer. The steps of the process are illustrated using the diagram such as a flow chart or a process chart.

Diagram 1.0 Symbols used in the process chart

SYMBOLS	ACTIVITY	DESCRIPTION
	Operation	Activity that includes modifying, transform or give addition value to the input
	Transportation	Movement of products, materials and goods from one point of place to another
	Inspection	Activity that measures the standard and quality of the products or services
	Delay	Process is delayed because in process materials are waiting for the next activity
	Storage	Finished product or goods are stored in a storage area or warehouse

Process flow chart of Prove-It services



8.3 Capacity planning

It is crucial to ensure that a company is able to produce, provide and deliver their products and services that is sufficient to fulfil the demand, wants, and needs of the expected market or sales. This is to make sure a business is flourishing and their business transaction are flowing steadily. To achieve this goal, it requires us to have a proper production or capacity planning. In this process, a business will determine how much output/products are to be produced or manufactured for a certain period of time, for instance, a day, a week, or a month. In order to do so, it requires information provided from the marketing plan, like the amount of market share or the average sales forecast.

Calculation of output per day:

Average sales forecast per month: RM 38 500/month

Price per unit RM 15.40/unit

Number of output per month $\frac{RM38500}{RM15.40}$

= 2500 units.

If the number of working days per month is approximately 25 days, then the amount of output that can be produced per days is $\frac{2500 \text{ units}}{25 \text{ days}}$, which is, 100 units per day.

8.4 Material Requirements

Material requirements is executed to determine the type of amount of raw materials need for the production. It includes four steps; identifying and listing down the needed raw materials; preparing bills for the listed materials; calculating the overall quantity of required raw materials; and identifying the suppliers of raw materials.

Require materials per month:

No	Material	Quantity	Safety stock	Total Material Requirement	Price/Unit (RM)	Total Price (RM)
1	Ink Printer	2	-	2 pack	790	1580
2	A4 Paper	3	-	3 per box	50	150
3	Binding Ring	11	-	1 pack	3.2	35.2
4	Big Stapler	1	-	1	10	10
TOTAL						1775.20

8.5 Machine & Equipment planning:

Machine & Equipment Requisition Planning Schedule

No.	Type	Quantity	Price/Unit (RM)	Total Price (RM)
1	Air condition	1	2500	2500
2	Cashier	1	600	600
3	PC	5	2400	12 000
4	Printer	2	790	1580
5	PC Tables (set)	4	400	1600
6	Binding Machine		480	480
TOTAL			7170	18 760

8.6 Supplier

Raw Materials

Name	Location
SERI SARJANA SARAWAK SDN. BHD.	Wisma Saberkas, Jalan Tun Abang Haji Openg, 93000, Kuching, Malaysia
UNION STATIONERY	Lot 5816, Jalan Matang & Batu 2 ½, Petra Jaya, 93050, Kuching, Sarawak

Machine & Equipment

Name	Location
PC IMAGE @ TJ SHOPPING MALL	Unit 1.6 & 1.7, One TJ Shopping Complex, Jalan Stutong, 93250, Kuching Sarawak
CHAN FURNITURE	Lot 386, Block 226. 4.5 Miles, Jalan Penrissen, Taman Berjaya, 93250 Kuching, Sarawak

COMPUWAY	Lot 3-20, Wisma Saberkas, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak
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8.7 List of personnel

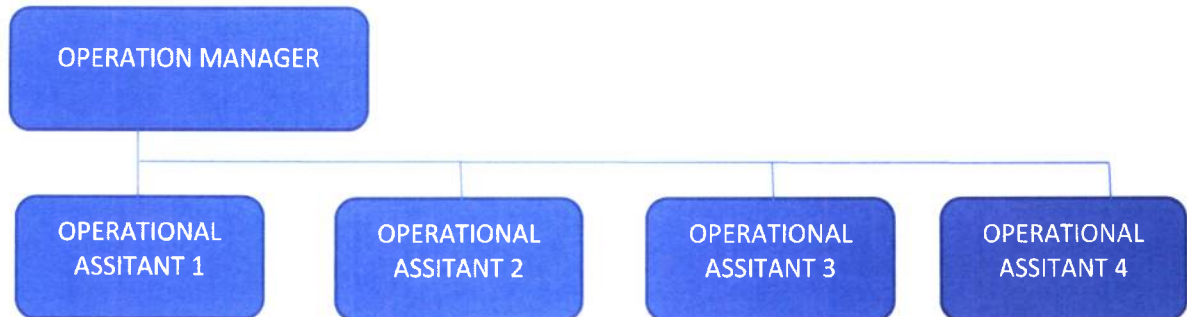
POSITION	NO. OF PERSONNEL
Operation Manager	1
Operational Assistants	4

8.8 Schedule of task and responsibilities

POSITION	TASK AND RESPONSIBILITIES
Operation Manager	<ul style="list-style-type: none"> • To ensure the operation of business is executed smoothly and properly. • To ensure workers are providing the best services to the clients. • To continue meet the services and production specifications and standards • Analyzing and improving the operational process
Operational Assistants	<ul style="list-style-type: none"> • Proof-read documents • Work simultaneously as a cashier • Clean the shop • Check the equipment, stock and raw materials. • Check emails for document

8.9 Manpower Planning

Organization for Operation Department



Number of units per hour

Daily work hour = 12 hours

$$\text{No. output per day/daily working hours} = \frac{2500}{12} = 208.33 = 209 \text{ units.}$$

8.10 Schedule of remuneration

No	Position	No. of staff required	Salary/Month (RM)	EPF (RM) 7	Socso (RM)	Total (RM)
1	Operation manager	1	1649.40	209	41.6	1900
2	Operational assistant 1	1	1215.60	154	30.40	1400
3	Operational assistant 2	1	1215.60	154	30.40	1400
4	Operational assistant 3	1	1215.60	154	30.40	1400
5	Operational assistant 4	1	1215.60	154	30.40	1400
	TOTAL		7901.80			7500

8.11 Overhead requirements

Operational overhead (indirect labour/direct labour)

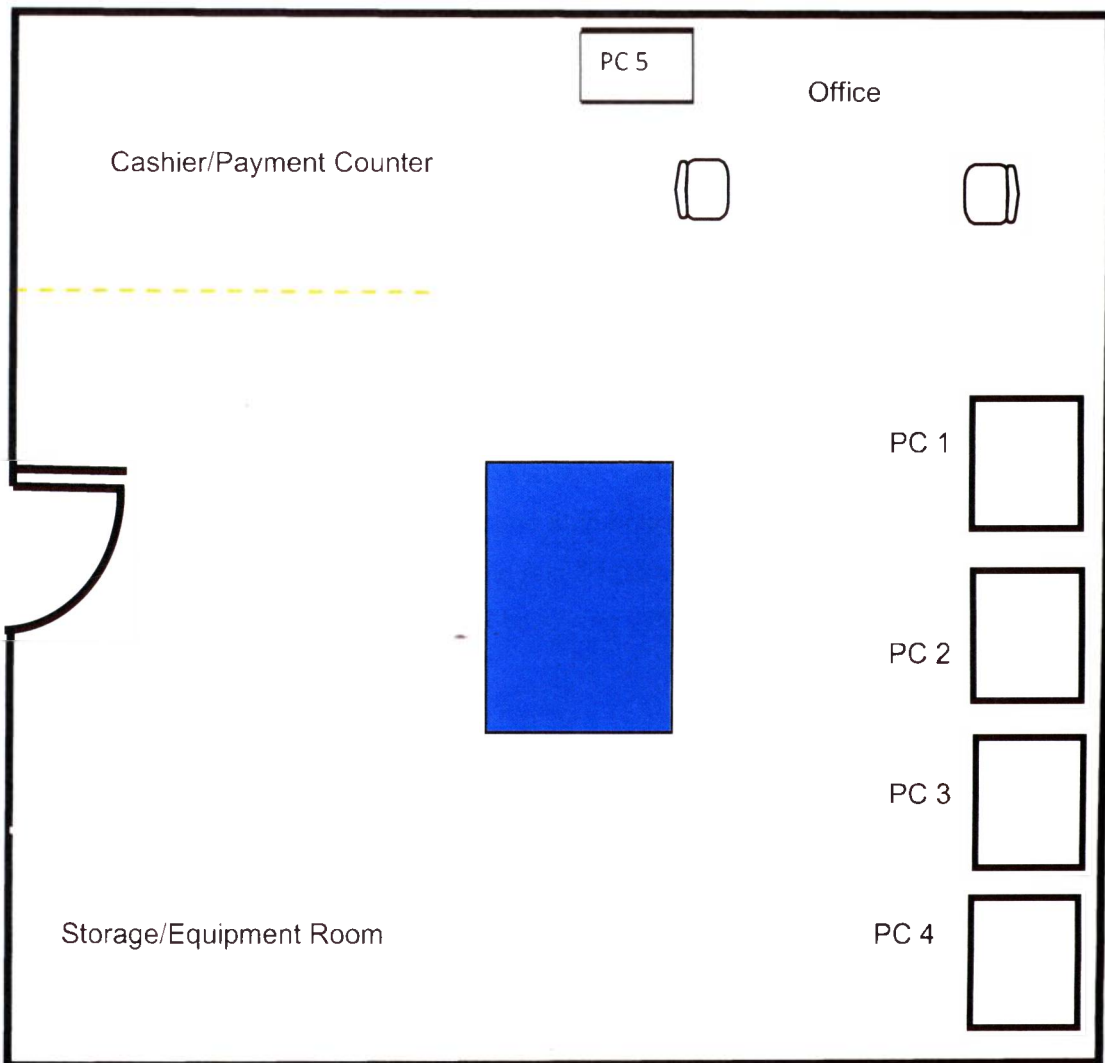
No	Types of Overhead	Monthly Cost (RM)
1	Electricity	700
2	Water	200
3	Rental	2500
	TOTAL	3400

8.13 Operation space layout plan

Layout is referring to the arrangement of machine equipment, workers and other facilities used in the operations. The layout must be design in such a way that can be smoothly and effectively. The types of layout are divided into to three; layout based on process; layout based on product; and layout based on marketing.

Layout based on process is a layout that is suitable to produce several products using similar processes. It is designed to on the similarities of processes where the machine and equipment that performs similar functions are grouped together. For our business, we use this type of layout.

Layout of Prove-It Sdn. Bhd.



8.14 Operation Budget

Type	Fixed Asset Cost (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Fixed Asset <i>Machine & Equipment</i>	18760	-	-
Working Capital/ Monthly Expenses <i>Salary</i> <i>Raw Material</i>		7500 1775.20	
Other expenses <i>Overhead cost</i>	-	-	3400
TOTAL	18760	9255.2	3400

8.15 Operating Hours

Prove-It Sdn. Bhd. will open our business starting from 8AM to 8PM on weekdays and will open on 9AM until 3PM on during weekends. The peak hours for customers will be during lunch hours that is 11AM. The customers (consists of students, lecturers, and UiTM Staff) will end approximately around 5PM, in which they may pick-up their documents during those hours. There is a rotation system and shift hours between four of the operational workers. The first two will work during the first 6 hours, while the other two will work for the last 6 hours after. Their shift change will be during 2PM on weekdays. On weekends, they will only be required to work for 6 hours.

The operation hours of our shop

DAY	TIME
Monday – Friday	8 A.M – 8 P.M
Saturday – Sunday	9 A.M – 3 P.M

Financial Plan

9. 0 Financial Plan

A financial plan as explained by BBN Times, is "simply the process of allocating funds to and determining how a business will achieve its different goals and objectives outlined by the business" (IMPORTANCE OF FINANCIAL PLANNING IN BUSINESS, 2018). It is a necessary process to be done for every business venture regardless of any industry. The idea is to ensure that the business will be financially stable and well plan profit loss expected.

This financial plan is to be come out by the Finance Manager of the business. The responsibilities include inserting expenditures of every department within the company, managing the expenses and controlling its financial accounting. It is because every department will come out with their expenditure list and cause lots of money for payment. In order to avoid over spending within the company, Finance Manager is highly responsible for the cash inflow and outflow. This action will then save the company from suffering huge loss and unbalance expenditure.

Financial plan also allows the company to foresee their business financial standing point for many years to come. This simply helps the long-term planning for a business venture. Every business owner will only consider as successful if managed to secure its finance before proceeds with further processes in running the company. Furthermore, to open up a business require one to be fully determine and a long-sighted person. Those who create a business company with the intention of existing for few years only are not a reliable company. Thus, a carefully plan financial plan is very important for any business owner and the responsibility of finance manager to control it.

Importances of financial plan:

- To determine the fixed assets and current assets value
- To measure liabilities and assets
- To measure profit loss
- To gather information for planning of marketing strategy
- To supervise the financial standing of the company
- To create opportunities for business to expand

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9.1 Capital Expenditure Projection (CAPEX)

Types of Fixed Assets	Estimated Cost (RM)	Estimated Economic Life (years)
Administrative/Organisation		
Land & Building	-	-
Furniture	5,000	5
Cash Register	600	5
Stationary	200	1
Sales/Marketing		
Signboard	2,000	5
Operations/Technical		
PCs (4 units)	12,000	3
Printer (2 units)	1,580	2
Binding Machine	480	4
Total	21,860	

Table 9.1

- Depreciation Method: Straight Line

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9.2 Pre-Operating & Working Capital Projections (WCAPITAL)

Pre-Operating & Incorporation Costs (one-off)	RM
Development Cost	5,000
Business Incorporation	2,500
Deposit (Rent, Unifi Installation, Electricity Bill, Water Bill)	2,920
Other Pre-Operating & Incorporation Costs	-
Sales & Marketing Costs (monthly)	
Salaries, Wages, EPF & SOCSO	1,900
Promotions	250
General & Administrative Costs (monthly)	
Salaries, Wages, EPF & SOCSO	4,400
Electricity	700
Water bill	200
Operations & Technical Costs (monthly)	
Purchase of Raw Materials/Goods	295
Salaries, Wages, EPF & SOCSO	7,500
Other Expenditure (annually)	
Promotions	200
Total Pre-Operations & Working Capital Expenditure	25,865

Annual Increase in Working Capital (if any)	
Year 2	5%
Year 3	10%

Tax Rates	
Year 1	20%
Year 2	23%
Year 3	25%

Table 9.2

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9.3 Sales & Purchase Projections

Sales Projections		RM
January	2020	38,500
February	2020	38,500
March	2020	38,500
April	2020	38,500
May	2020	38,500
June	2020	38,500
July	2020	38,500
August	2020	38,500
September	2020	38,500
October	2020	38,500
November	2020	38,500
December	2020	38,500
Total	2020	462,000
Total	2021	485,100
Total	2022	533,610

Purchase Projections		RM
January	2020	295
February	2020	295
March	2020	295
April	2020	295
May	2020	295
June	2020	295
July	2020	295
August	2020	295
September	2020	295
October	2020	295
November	2020	295
December	2020	295
Total	2020	3,540
Total	2021	3,646
Total	2022	3,829

Sales Collections	
In the month of sales	90%
One month after sales	10%
Two months after sales	0%

Purchase Payments	
In the month of purchase	100%
One month after purchase	0%
Two months after purchase	0%

Table 9.3

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9.4 Project Implementation Cost

Capital Expenditure			Cost	Sources of Financing
Furniture			5,000	Loan
Cash Register			600	Loan
Stationary			200	Cash
Signboard			2,000	Cash
PCs (4 units)			12,000	Loan
Printer (2 units)			1,580	Loan
Binding Machine			480	Loan
Working Capital	1	months		
Sales & Marketing Costs (monthly)			2,150	Cash
General & Administrative Costs (monthly)			5,300	Cash
Operations & Technical Costs (monthly)			7,795	Cash
Pre-Operating & Incorporation Costs (one-off)			10,420	Cash
Other Expenditure (annually)			200	Cash
Provision for Contingencies	10%		4,753	Cash
TOTAL			52,478	

Table 9.4

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9.5 Sources of Project Financing

Capital Expenditure	Cost	Own Contributions		Loan	Hire-Purchase
		Cash	Existing F. Assets		
Furniture	5,000			5,000	
Cash Register	600			600	
Stationary	200	200			
Signboard	2,000	2,000			
PCs (4 units)	12,000			12,000	
Printer (2 units)	1,580			1,580	
Binding Machine	480			480	
Working Capital					
Sales & Marketing Costs (monthly)	2,150	2,150			
General & Administrative Costs (monthly)	5,300	5,300			
Operations & Technical Costs (monthly)	7,795	7,795			
Pre-Operating & Incorporation Costs (one-off)	10,420	10,420			
Other Expenditure (annually)	200	200			
Provision for Contingencies	4,753	4,753			
TOTAL	52,478	32,818		19,660	

Proposed Terms of Loan (if required)	
Interest rate	15%
Loan tenure (years)	2

Table 9.5

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9.6 Loan Amortization Schedule

LOAN AMORTIZATION SCHEDULE				
Amount (RM)	19,660			
Interest Rate	15%			
Duration (yrs)	2			
Method	Annual Rest			
Year	Instalment Payments			Principal Balance
	Principal	Interest	Annual Payments	
	-	-	-	19,660
1	9,144	2,949	12,093	10,516
2	10,516	1,577	12,093	-
3	-	-	0	-
4	0	-	0	-
5	-	-	0	-

Table 9.6

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9.7 Depreciation of Fixed Assets

Type of Fixed Asset		Furniture	
Cost (RM)		5,000	
Depreciation Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	5,000
1	1,000	1,000	4,000
2	1,000	2,000	3,000
3	1,000	3,000	2,000
4	1,000	4,000	1,000
5	1,000	5,000	-

Type of Fixed Asset		Cash Register	
Cost (RM)		600	
Depreciation Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	600
1	120	120	480
2	120	240	360
3	120	360	240
4	120	480	120
5	120	600	-

Type of Fixed Asset		Stationary	
Cost (RM)		200	
Depreciation Method		Straight Line	
Economic Life (yrs)		1	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	200
1	200	200	-
2	200	400	(200)
3	0	0	(200)
4	0	0	(200)
5	0	0	(200)

Type of Fixed Asset		Signboard	
Cost (RM)		2,000	
Depreciation Method		Straight Line	
Economic Life (yrs)		5	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	2,000
1	400	400	1,600
2	400	800	1,200
3	400	1,200	800
4	400	1,600	400
5	400	2,000	-

Type of Fixed Asset		PCs (4 units)	
Cost (RM)		12,000	
Depreciation Method		Straight Line	
Economic Life (yrs)		3	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	12,000
1	4,000	4,000	8,000
2	4,000	8,000	4,000
3	4,000	12,000	-

Type of Fixed Asset		Printer (2 units)	
Cost (RM)		1,580	
Depreciation Method		Straight Line	
Economic Life (yrs)		2	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	1,580
1	790	790	790
2	790	1,580	-
3	790	2,370	(790)

Type of Fixed Asset		Binding Machine	
Cost (RM)		480	
Depreciation Method		Straight Line	
Economic Life (yrs)		4	
Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	480
1	120	120	360
2	120	240	240
3	120	360	120
4	120	480	-

Table 9.7

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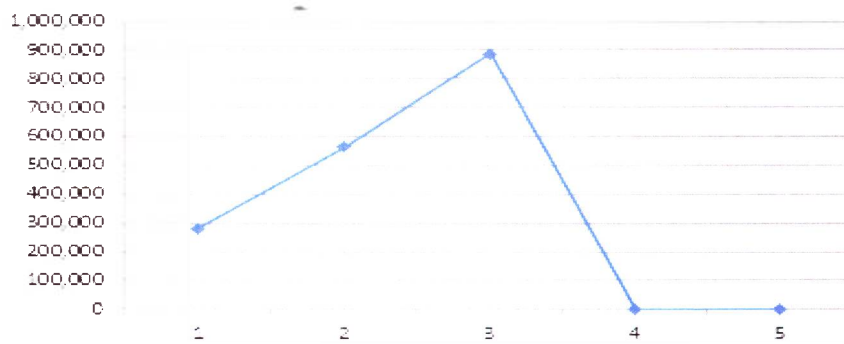
9.8 Pro-Forma Cash Flow Statement

MONTH	Pre-Operations	2020 MONTHLY CASH FLOW												2020	2021	2022
		Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec			
CASH INFLOW	-															
Capital (Cash)	32,818													32,818	0	0
Loan	19,660													19,660	0	0
Cash Sales		34,650	34,650	34,650	34,650	34,650	34,650	34,650	34,650	34,650	34,650	34,650	34,650	415,800	436,590	480,249
Collection of Accounts Receivable		0	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	42,350	48,318	52,957
TOTAL CASH RECEIPT	52,478	34,650	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	510,628	484,908	533,206

CASH OUTFLOW	-															
Pre-operating & Incorporation Expenditure	10,420													10,420		
Sales & Marketing Expenditure		2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	25,800	27,090	29,799
General & Administrative Expenditure		5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	63,600	66,780	73,458
Operations & Technical Expenditure		7,795	7,795	7,795	7,795	7,795	7,795	7,795	7,795	7,795	7,795	7,795	7,795	93,540	98,146	107,779
Other Expenditure		200												200	210	231
Purchase of Fixed Assets	21,860													21,860		

Hire-Purchase Repayment:																	
Principal		0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	
Interest		0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	
Loan Repayment:																	
Principal		762	762	762	762	762	762	762	762	762	762	762	762	9,144	10,516	-	
Interest		246	246	246	246	246	246	246	246	246	246	246	246	2,949	1,577	-	
Tax Payable		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL CASH OUTFLOW		32,280	16,453	16,253	16,253	16,253	16,253	16,253	16,253	16,253	16,253	16,253	16,253	227,513	204,319	211,267	
CASH SURPLUS (DEFICIT)		20,198	18,197	22,247	22,247	22,247	22,247	22,247	22,247	22,247	22,247	22,247	22,247	283,114	280,588	321,939	
BEGINNING CASH BALANCE			20,198	38,395	60,642	82,889	105,136	127,384	149,631	171,878	194,125	216,373	238,620	260,867	0	283,114	
ENDING CASH BALANCE		20,198	38,395	60,642	82,889	105,136	127,384	149,631	171,878	194,125	216,373	238,620	260,867	283,114	563,702	885,642	

SUMMARY	Total Cash Inflows	Total Cash Outflows	Ending Balance
2020	510,628	227,513	283,114
2021	484,908	204,319	563,702
2022	533,206	211,267	885,642



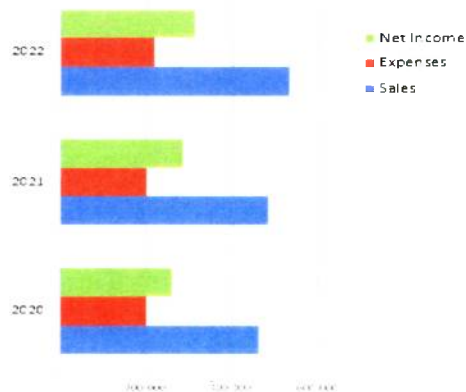
Annual Cash Balance

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9.9 Pro-Forma Income Statement

	Years	2020	2021	2022
Sales		462,000	485,100	533,610
Less: Expenditure				
Pre-Operating & Incorporation Expenditure		7,500		
General & Administrative Expenditure		63,600	66,780	73,458
Sales & Marketing Expenditure		25,800	27,090	29,799
Operations & Technical Expenditure		93,540	98,146	107,779
Other Expenditure		200	210	231
Interest on Hire-Purchase				
Interest on Loan		2,949	1,577	
Depreciation of Fixed Assets		6,630	6,630	6,430
Total Expenditure		200,219	200,434	217,697
Net Income Before Tax		261,781	284,666	315,913
Tax		0	0	0
Net Income After Tax		261,781	284,666	315,913
Accumulated Net Income		261,781	546,447	862,361

SUMMARY	Total Sales	Total Expenditure	Net Income
2020	462,000	200,219	261,781
2021	485,100	200,434	284,666
2022	533,610	217,697	315,913

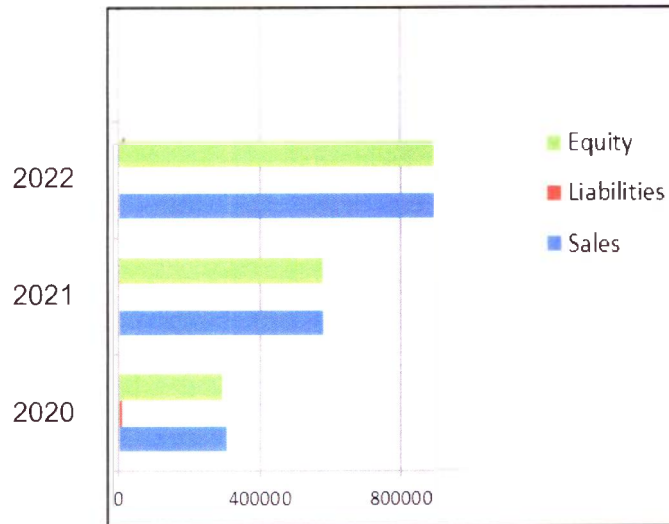


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9.10 Pro-Forma Balance Sheet

	2020	2021	2022
ASSETS			
Non-Current Assets (Book Value)			
Land & Building	-	-	-
Other Fixed Assets	15,230	8,600	2,170
Other Assets			
Deposit	2,920	2,920	2,920
	18,150	11,520	5,090
Current Assets			
Inventory	0	0	0
Accounts Receivable	3,850	4,043	4,447
Cash Balance	283,114	563,702	885,642
	286,964	567,745	890,088
TOTAL ASSETS	305,114	579,265	895,178
Owners' Equity			
Capital	32,818	32,818	32,818
Accumulated Income	261,781	546,447	862,361
	294,599	579,265	895,178
Long-Term Liabilities			
Loan Balance	10,516		
Hire-Purchase Balance	10,516		-
Current Liabilities			
Accounts Payable			
TOTAL EQUITY & LIABILITIES	305,114	579,265	895,178

SUMMARY	Total Assets	Total Liabilities	Total Equity
2020	305,114	10,516	294,599
2021	579,265		579,265
2022	895,178	-	895,178



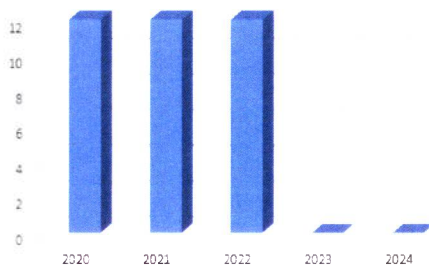
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9.11 Financial Performance

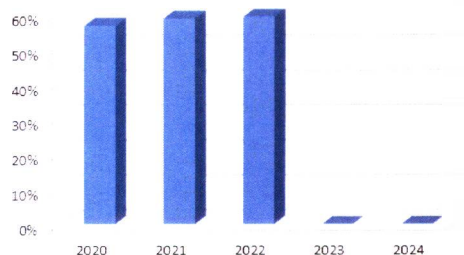
Financial Ratio Analysis	2020	2021	2022
LIQUIDITY			
Current Ratio	NA	NA	NA
Quick Ratio (Acid Test)	NA	NA	NA
EFFICIENCY			
Receivable Turnover	12	12	12
Inventory Turnover	NA	NA	NA
PROFITABILITY			
Gross Profit Margin	NA	NA	NA
Net Profit Margin	56.66%	58.68%	59.20%
Return on Assets	85.80%	49.14%	35.29%
Return on Equity	88.86%	49.14%	35.29%
SOLVENCY			
Debt to Equity	3.57%		
Debt to Assets	3.45%		
Time Interest Earned	88	179	#DIV/0!

Break-even Analysis	2020	2021	2022
Total projected Sales (RM)	462,000	485,100	533,610
Total variable costs (cost of sales)			
Contribution margin	NA	NA	NA
Contribution margin ratio	NA	NA	NA
Fixed costs	NA	NA	NA
Total costs	200,219	200,434	217,697
Net Profit	261,781	284,666	315,913
Break-even sales	200,219	200,434	217,697
Percentage of break-even to sales	43%	41%	41%

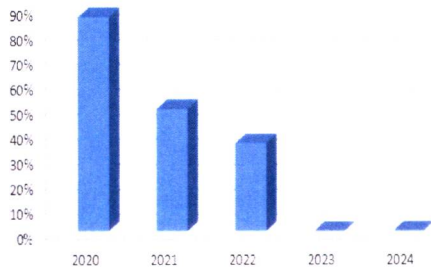
Receivable Turnover



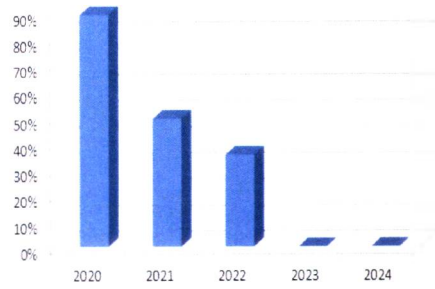
Net Profit Margin



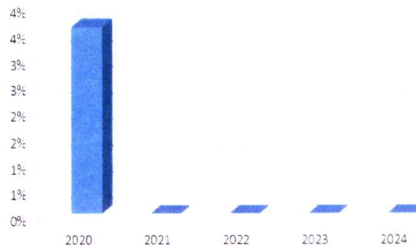
Return on Assets



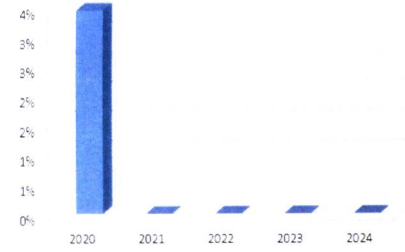
Return on Equity



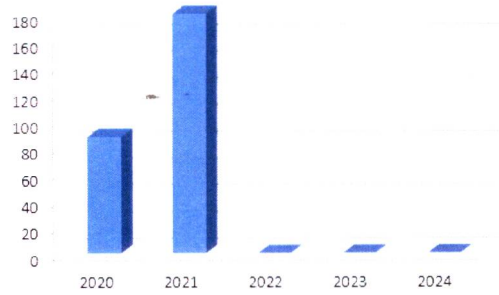
Debt to Equity



Debt to Assets



Time Interest Earned



10. Conclusion

In simplification, we are proud to have fully reported this business plan, and experiencing many benefits in participating with this project. In the future, we hope that our business will be able to operate and developed smoothly without a hitch. Our main goal is to not only promote the advantage of proofreading industry but also achieving a moderate profit in the investment of this business. We hope that by being one of the few to invest in this business, it will help others to join the market as well.

With the sense of hard work and motivation of our workers to help this business flourish, it will help us in achieving our long-term goal to become a quality company in providing the proofreading services with trustworthy credibility. In order to do so, it'll require us to measure our monthly performance, compare it standardized performance with actual ones, and improve our services where they are lacking and flawed.

Therefore, we will fully take accountability in committing to this industry and business with high hopes of providing good services to clients, provide knowledge, and also quality products.

11. REFERENCES

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