



INDUSTRIAL TRAINING REPORT



CHUAN LIP FURNITURE SDN BHD
(1 MARCH – 13 AUGUST 2021)

RESEARCH TITLE: THE IMPACT OF RAW MATERIAL COST ON COMPANIES' EARNINGS IN FURNITURE INDUSTRY

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EXECUTIVE SUMMARY

Chuan Lip Furniture SDN BHD provided me with a remarkable and interesting industrial training. The company provides various types of sofa repair services, with a strong emphasis on quality control and smooth pleasant craftsmanship. The business is based at Juru Estate, Pulau Pinang. There were a few issues that I saw at the company during my internship. The fluctuation in raw material cost seems to have a major effect on the furniture industry. As a result, I have decided to do a research study on the impact of raw material cost on companies' earnings in furniture industry. This research uses secondary data to collect information. The data were gathered from the annual reports of selected furniture companies in Malaysia from year 2016 to 2020. The collected data was analysed in Excel to generate the multiple regression results. The study's dependent variable is company earnings. While, the independent variables are the raw material cost, labour cost and sales. According to the findings, sales and labour costs have a significant relationship with the dependent variable. While raw material costs have an insignificant relationship on a company's earnings. The study recommends that companies should consider paying closer attention to the amount of sales achieved in order to maximise profit. Furthermore, the next researcher is suggested to add or use other internal factors that are likely to be able to influence companies' earnings besides raw material cost.

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3. COMPANY'S PROFILE



- **Location** : 930, Mukim 12 Juru Estate, 14000 Bukit Mertajam, Penang
- **Operation Hour** : Monday to Friday (9.00 AM – 6.00 PM)
Saturday (9.00 AM – 1.00 PM)
- **Mission** : To carefully design and manufacture furniture that meets the needs and desires of the customer. In addition, the organization will provide a pleasant working atmosphere for all employees.
- **Vision** : To be a successful and leading manufacturer, supplier and exporter of high-quality furniture in Malaysia.
- **Products** : Chair, sofa, dining chair, headboard for bar, restaurants and hotel, bed
- **Services** : We offers sofa repair services for all types of sofas, with strong focus on quality control and smooth, satisfying craftsmanship.