


Petrofac 



UNIVERSITI  
TEKNOLOGI  
MARA

# INDUSTRIAL TRAINING REPORT (MGT 666)

1 MARCH 2023 – 15 AUGUST 2023

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PROGRAMME	M1BA242
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## **EXCEUTIVE SUMMARY**

Internship is the final course for all undergraduate programmes in the Faculty of Business and Management, according to the study plan. A student must complete an internship or on-the-job instruction in areas related to their academic degree and area of concentration. This internship course functions as a training ground for students to gain practical knowledge and workplace skills that provide experience with work and responsibility in completing company-assigned tasks. It would improve the practical skills, knowledge, and attitude required for completing the assignment.

Consequently, I have effectively completed this Industrial Training Report for the company where I have been employed, Petrofac (Malaysia-PM-304) Limited under the department of Finance. I began working for this company in March 2023, and based on my observations, this is the finest place to develop your career and talents. In addition to serving clients worldwide, designing, constructing, and operating onshore and offshore facilities, and training the personnel who support them, Petrofac also focuses on its culture and environment. The departments are well-coordinated and have a patient culture, with management willing to provide opportunities and share information, allowing me to perform well.

In February of 1981, a manufacturer of modular plant equipment called Petrofac Inc. was established in Tyler, Texas, a city located in eastern Texas. Petrofac Inc.'s fabrication facility, as well as the technical expertise and perseverance of the individuals who worked there, served as the foundation upon which the company was established. In the company's early days, there were around 25 individuals working across all departments at Petrofac Inc. AMcorp was established by Ayman Asfari and Maroun Semaan, and later merged with Petrofac Inc. to become Petrofac International, a company with a market capitalization of one million United States dollars with an operating centre in Sharjah, United Arab Emirates.

To summarise, the conclusion of the SWOT Analysis helps the reader understand why the analysis should be important by analysing positive and negative variables that are both internal and external to the firm.

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## **ACKNOWLEDGEMENT**

Alhamdulillah, this Industrial Training Report (MGT666) would not have been effectively completed without the guidance and assistance of numerous individuals who assisted me greatly throughout the process of preparing and completing it. To complete my report, I required the assistance and direction of a number of esteemed individuals, to whom I am eternally grateful.

First of all, I want to thank Allah for giving me the chance to work at Petrofac (Malaysia-PM304) Limited in Jalan Pinang as part of my workplace training. As finishing this industrial report and working at Petrofac (Malaysia-PM304) Limited gave me a lot of pleasure, I'd like to thank my favourite advisor professor, Dr Nur Hafidzah for her helpful guidance and advice. I also want to thank her for giving me a good report-writing plan while I was working on this job.


Next, I would want to take this opportunity to thank both my employer and my direct superior, Encik Hariz, for giving me the chance to work at Petrofac (Malaysia -PM304) Limited in Jalan Pinang. I would also want to use this opportunity to extend my thanks to my supervisor as well as to each and every member of the team here at this company who has either directly or indirectly been a part of my professional development. I owe them a great debt of gratitude for the hard work and initiative that they showed from the first day I started working here to the day that I successfully finished the industrial training that they provided for me. Because of their efforts, I was able to quickly integrate into the group and felt like a valuable contributor.

I'm also thankful for the emotional support and eager praise from my parents and the rest of my family. Because of the help I got on this long and hard journey, I was able to do everything. Not only that, but I want to thank all of my friends for their kindness and help with this report and industry training.

In conclusion, I would like to extend my sincere apologies to any and all nameless people who helped me in any way shape or form in the course of compiling this report. It is our sincere desire that this report on industrial training will supply us with supplementary information about the business sector as well as specifics on how one might become an entrepreneur in the time to come.

## 1.0 STUDENT'S PROFILE

### 1.1 Updated Resume

<b>ARIF AMALUDDIN BIN ABD RAZAK</b> Bachelor of Business Administration (Hons) Finance		
<b>EDUCATION</b>		
Mac 2021 — Aug 2023	<b>Bachelor of Business Administration (Hons) Finance, Uitm Bandaraya Melaka</b> Current CGPA: 3.56/4.00 MUET: Band 4 Dean's List: 4 out of 5 semesters	Melaka
Sept 2018 — Feb 2021	<b>Diploma in Investment Analysis, Uitm Segamat</b> CGPA: 3.64 Dean's List: all semesters	Johor
Jan 2013 — Dec 2017	<b>Mrsm Kuala Klawang</b> SIJIL PELAJARAN MALAYSIA	Negeri Sembilan
<b>AWARDS &amp; SCHOLARSHIPS</b>		
2020	<b>Scholarship Tertiary Education Sponsorship Programme (TESP), MARA</b> Granted a scholarship from (TESP), Mara to pursue my undergraduate studies.	
2019	<b>Vice Chancellor Award</b> Awarded for excellent performance in academic results by maintaining dean list for 5 semesters.	
<b>RELEVANT EXPERIENCES</b>		
Mac 2023 — Aug 2023	<b>PETROFAC (MALAYSIA-PM304) LIMITED   Internship</b> Invoice Submission from vendors 1. PMY2U Portal a) Distribution of invoices to respective Finance Analyst b) Check all documents as per PMY Invoice Requirements c) Check bank detail invoice against SMD (registered in system). If not same, to email vendor to get confirmation and if change bank details, get a complete document prior change in Oracle System. Notification of invoice dispute to vendors 1. PMY2U Portal a) Update and send email from Portal with a proper reason (received reason from Finance Analyst) Assist on PMY2U Portal – online invoicing a) Vendor details registration (for new SMRF registration) b) Temporary password c) PMY2U material d) Queries by the vendor for Portal Supplier Master Request Form (SMRF) – Responsible as follows : 1. New vendor creation a) Send an email to the Oracle Support System for vendor creation b) To follow-up with vendor to complete a requirement 2. Change of bank details a) To follow up with vendor to complete a requirement 3. Change of supplier info 4. Once documents completed, send final email to the Oracle Support for bank registration. Clean up Supplier Master Data (SMD) especially for bank detail info a) Follow up with vendors b) Change section 2A, just need an email confirmation. Email to Oracle Support to update in Oracle System and AP team to update in Portal as well. ➤ To update i-Track by daily – extract from analytics data ➤ Reply suppliers' email/ phone queries – attend within 2 working days under Invoice Query & Invoice Payment Invoice Management 1. Hardcopy a) To check and confirm whether documents have been saved for year of 2022 & 2023 ➤ Assist to process the AP invoices ➤ Add hoc activities – on audit issues / Audit Sample by Financial Accounting Team & PSC Team / Governance Team / Tax Team ➤ CSR at Rumah Titian Kaseh (Taman Tasik Titiwangsa) ➤ 2 <sup>nd</sup> runner up volleyball representative for Green House in Petrofac Competition	

- Dec 2022      **Abstract Bureau of Innovation Competition**
- Apply ISBN for the abstract book.
  - Managed participants abstract
- Dec 2022      **Participant of Webinar Ilmiah & collaboration teaching**
- Received certificate for joining the Webinar
- May 2022      **Activity Bureau of Navigating the Future**
- Prepare a set of questions for the quiz session.
  - Handled the quiz during the live session
- Jun 2019      **Volunteer/Director of a volunteering activity at an old folks' home in Segamat**
- Led a group of 10 members to visit an old folks' home in Segamat as part of volunteering commitment.
  - Spent a whole day cleaning the centre, preparing foods for the elderly people and helping them with the household chores.
  - Organised several activities to be held at the centre such as birthday party, boardgames and musical performances.
  - Gave monetary contribution to the centre from a fundraising held several weeks before the visit

<b>SKILLS</b>	<b>Word</b>	Advanced	<b>Power point</b>	Advanced	<b>Canva</b>	Beginner
	<b>Excel</b>	Advanced	<b>iMovie</b>	Intermediate	<b>Outlook</b>	Advanced

<b>LANGUAGES</b>	<b>Malay</b>	Native speaker	<b>English</b>	Highly proficient	<b>Arabic</b>	Expert
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<b>REFERENCES</b>	<b>Mr. Amiruddin bin Mohd Nor</b> Academic Advisor/Senior Lecturer Faculty of Business Management Universiti Teknologi Mara (Uitm) Cawangan Melaka, Kampus Bandaraya Melaka	<b>Muhammad Hariz Akmal bin Mohd Arif</b> Accounts Payable & Systems Lead PETROFAC (MALAYSIA-PM304) LIMITED
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## 2.0 COMPANY'S PROFILE

### 2.1 Name and Background



Company's Name	Petrofac (Malaysia-PM304) Limited
Headquarters	London, United Kingdom
Location	No. 1, Level 28 Menara Prestige, Jalan Pinang, 50450 Kuala Lumpur
Operation Sectors	Aberdeen, Woking, Sharjah, Abu Dhabi, and Kuala Lumpur

Petrofac, Inc. was established in February of 1981 with around 25 people working for the company at the time. They got their start in the industry in Tyler, Texas, where they manufactured modular plant structures. The company may have been founded on the island of Jersey in the United Kingdom, but its current offices may be found on Jermyn Street in London. The organisation possesses centres of operations in a number of different nations, including Aberdeen, Woking, Sharjah, and Abu Dhabi, as well as Kuala Lumpur.

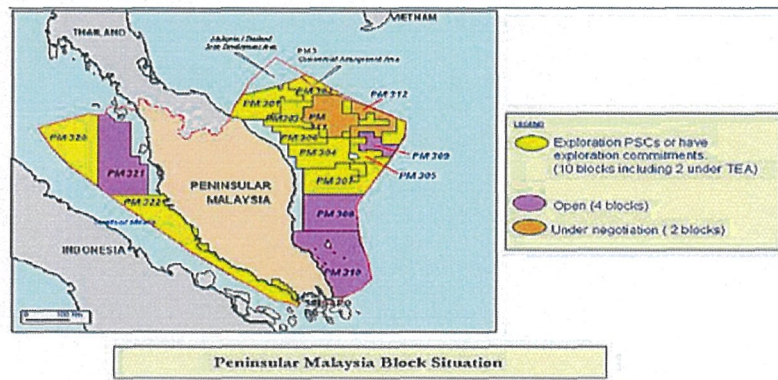


Figure 2: Block PM304



After having been in business for more than 15 years at the time, the firm began doing business in Malaysia in 2004 as a result of an investment made by Petrofac via Cendor PM304. The following year, in 2006, Petrofac (Malaysia - PM304) Limited was founded with the purpose of managing the operations and activities associated with Block PM304 (Figure 2). Cendor Phase 2 (CP2) was carried out in 2009, and in 2011, Petrofac Energy Developments Sdn Bhd (PEDSB) was created in order to develop and produce from the Berantai field. Both of these events took place in Malaysia. The Berantai activities were transferred to PETRONAS in a risk-free manner in 2016. According to the mission that Petronas and the government have established for the corporation, the primary duty of the company is to encourage the development of oil and gas resources by providing tax advantages to related businesses.

PMY is also an operator under a Petronas Production Sharing Contract (PSC), with a 30% operating interest in one of Malaysia's major oil resources, Block PM304. Through a joint venture with Petronas Carigali Sdn Bhd (PCSB), Kuwait Foreign Petroleum Exploration Company (KUFPEC), and Petro Vietnam Exploration Production Corporation (PVEP), PMY is responsible for exploration, field development, production, and abandonment of Block PM304; West Desaru (Mobile Operating and Production Unit - MOPU); and Cendor (Floating Production, Storage, and Offloading Vessel - FPSO). As a result of PVEP's withdrawal from the joint venture, PMY currently possesses 35.5% of working interest.



Figure 3: FPSO & MOPU

Moreover, Petrofac's remarkable record continued when the Cendor Phase 2 Project completed 10 million hours without a single lost time incident (LTI) and initial oil production on West Desaru in August after just 18 months of clearance by Petronas. Both of these accomplishments were accomplished after only 18 months of approval by Petronas. It is estimated that it will cost around one billion dollars to develop an offshore gas resource known as Berantai. The development will reach first gas in approximately 21 months because to this expedited process.

## 2.2 Location

Petrofac (Malaysia-PM304) limited is located in Jalan Pinang, Kuala Lumpur. This company operates everyday start from 7.00 a.m. to 7.00 p.m. Address of the office is No 1, Level 28 Menara Prestige, Jalan Pinang, 50450 Kuala Lumpur.

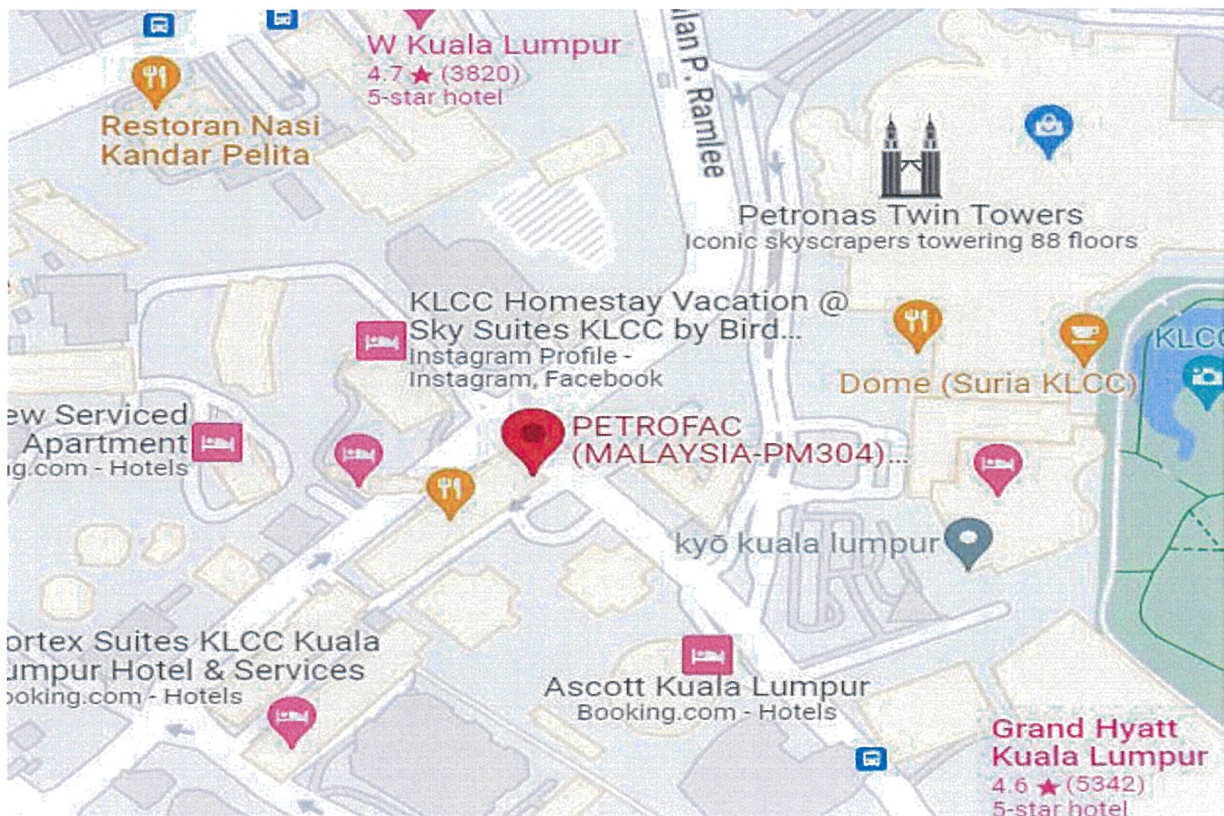


Figure 4: Location of Petrofac (Malaysia-PM304) Limited

## 2.3 Vision, Purpose & Values

### 2.3.1 Vision

Petrofac (Malaysia -PM304) Limited vision is to be the world's most admired oilfield service company.

### 2.3.2 Purpose

Petrofac (Malaysia – PM304) Limited purpose is to provide drilling, production, and operations management experience to our client, PETRONAS with the goal of enhancing the value of their hydrocarbon resources.

### 2.3.3 Values



## 2.4 Organizational structure

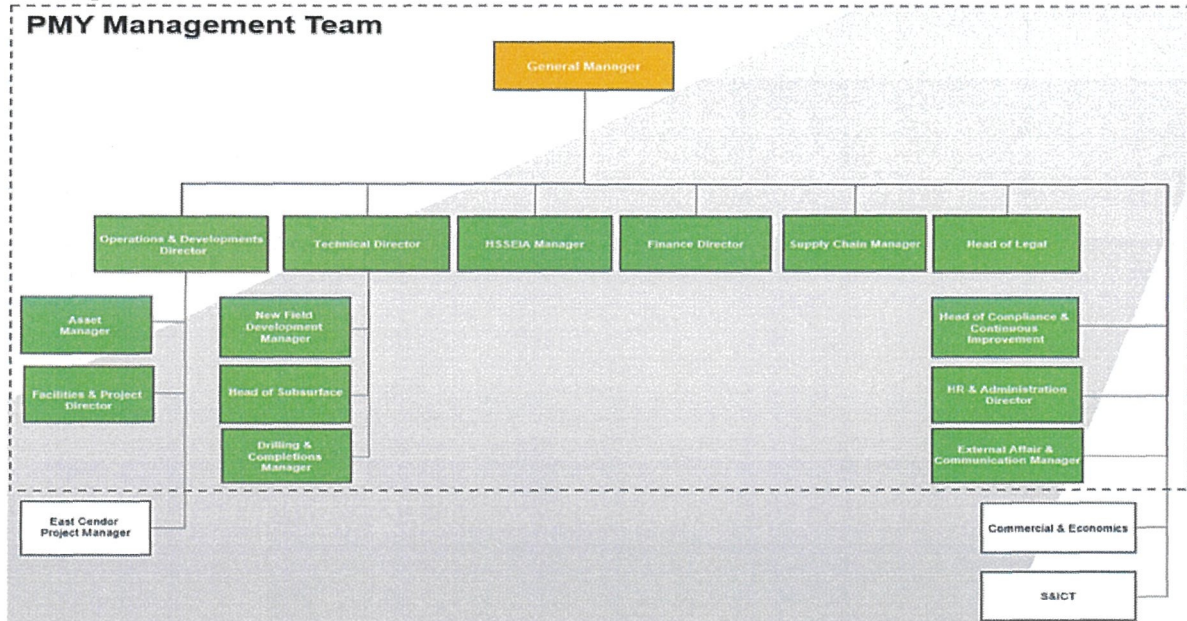


Figure 5: Organizational structure of Petrofac (Malaysia-PM304) Limited)

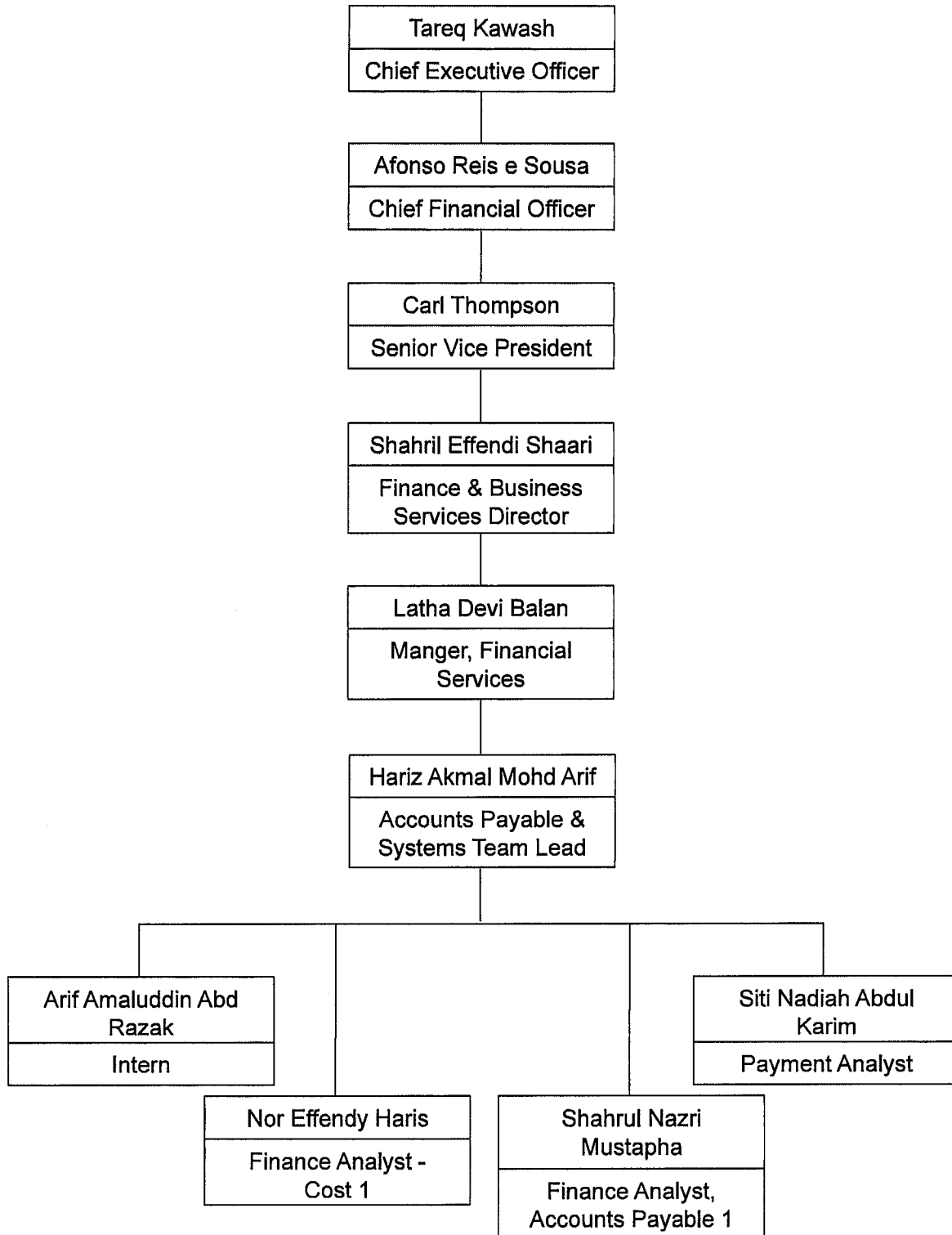
### Department Structure

Petrofac (Malaysia - PM304) Limited was made up of sixteen divisions, all of which worked together to support the Petrofac business flow and help the company reach its objectives. There are a total of sixteen departments:

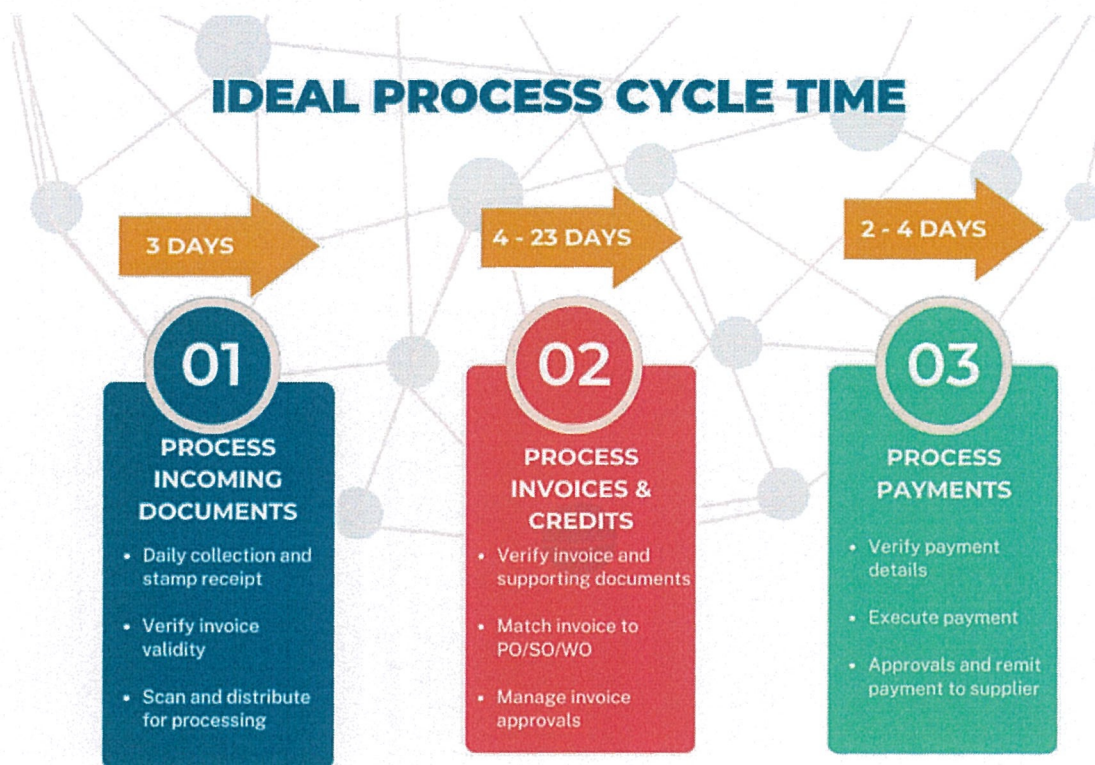
- 1) Administration
- 2) Compliance and Continuous Improvement
- 3) Commercial and Economics
- 4) Drilling and Completions
- 5) External Affairs and Communication
- 6) Facilities and Project Management
- 7) Finance
- 8) Health, Safety, Security, Environment & Integrity Assurance
- 9) Human Resources
- 10) Legal

- 11) Maintenance and Integrity
- 12) New Field Development
- 13) PM304 Asset Management
- 14) Subsurface Technical
- 15) Supply Chain Management
- 16) System and Information Communication Technology (S&ICT)

Finance Department



The invoice processing responsibilities fall under the purview of the Account Payable team located under the Finance department. The ERP – AP function is used to move data from the AP sub ledger into the General Ledger (GL), which is a component of the Procure to Pay process. The ERP - AP function is a part of the Procure to Pay process. Those individuals who are responsible for approving new suppliers, maintaining the bank information of existing suppliers, approving commitments, approving invoices, processing payments to existing suppliers, and approving bank transfers for payment all have their responsibilities properly separated from one another. Only invoices that are overdue for payment and have been properly authorised by utilising the Delegation Authority Max (DAM) system are eligible to have their payments processed. In accordance with the terms of the contract, payment will be made on all legitimate bills typically within thirty days of their receipt or by the day that the invoice was due, whichever comes first. The schedule for the many steps involved in the payment process is shown in the following figure:



### **3.0 TRAINING'S REFLECTION**

#### **3.1 Duration**

My 24-week industrial training will conclude on August 15, 2023, having begun on March 1, 2023. I was assigned daily duties to complete during standard working hours, which are 8 a.m. to 6 p.m., Monday through Thursday, with everyone working from home on Friday. Employees at Petrofac (Malaysia-PM304) Limited are free to select their preferable start time, which ranges from 7.30 a.m. to 9.30 a.m. and must be followed by 10 hours of work.

#### **3.2 Roles and Responsibilities**

During my internship, I was put on the Account Payables Team in the Finance Department. The goal of this team is to make sure that all invoices are paid according to business policy and that all legal obligations are met (Agung, 2021). Furthermore, there are two IT tools which are Oracle ERP and the Electronic Banking System that help the payment process run smoothly.

On my first day on my internship, there was an induction for all the interns for introduction to Petrofac (Malaysia-PM304) Limited. One of the Human Resource Department gave us some briefing about the company and showed to us where our working spaces. Then, we need to go to the IT Department to get our laptop for our daily working process. Then, I was given job description by my supervisor and briefing by him.

I was assigned the job of clearing all invoices and then escalating those invoices to all of the analysts so that they could be processed. There were around more than 100 different invoices that needed to be sent and filed away in the appropriate folder. All the invoices appear daily in our portal, and it depends on how much invoices vendors submitted. During escalate the invoices, I need to check their invoice number, currency, amount that need to be paid, invoices created date and the number work order, service order and purchase order depends on what type of the invoice vendor issued. If those requirements don't meet the requirement, I need to reject the invoice and state the reasons. Additionally, some of the invoices were rejected by the analysts and they will state the reason so that I can respond to the vendors.

In the next two weeks, I need to assist for the new vendors who want to submit their invoices in the PMY2U Portal, need to prepare for us the SMRF form with the supporting documents. SMRF stands for supplier master request form which is important because it contains account number, registration of the company, SST number and others. Also, they need to prepare for us the SSM of the company, bank statement header, business card and SST form if applicable to the company. I need to follow up with the vendors if one of documents



are not being prepared by the vendors. These are the requirements by Petrofac (Malaysia-PM304) Limited for a vendor to submit invoice through our portal. If all the documents have completed, I need to get signature from account payable system lead and finance manager. For the last step, I need to email to the oracle in order for them to register vendor in our portal so that payment processing run smoothly without any circumstance.

In the next three months, I am started to adapt all the tasks and run them smoothly. I now can process all the transactions effectively with the given period of time. All the guidance that I got from the account payable team made me understand on how a company operate at one time. There, I also learnt that time is important which I managed my time so that all the tasks assigned to me can be managed well. I also joined some activities by Petrofac which are volleyball competition and trip to Titian Kasih. I gained many experiences during those activities and became more outspoken person.

Other than that, I also need to reply to suppliers' email in account payable mail. All those emails need to be replied to within 2 working days to avoid any circumstance within Petrofac and the vendor. Example like provide username Id and password for invoice submission in PMY2U Portal, update payment status of invoice, need confirmation of SMRF, check the completeness of SMRF form and others. From these issues, I learnt that any problems can be solved with good decision making which my supervisor trained me and on how to reply with a good type of message to vendors.

Next, every day I need to update i-Track which can be extracted from analytics data. This is important as all account payable members can notice the due date of each invoice. This i-Track will give you a summary of all invoices that have been escalated so that any delay in payment can be avoided. Furthermore, I need to check and confirm whether all documents that vendors submitted to PMY2U Portal, have been saved in the share folder of 2022 and 2023. It is important that we as the finance can refer to the past documents if have any issues that related to the same vendors.

### **3.2.1 Bank Reconciliation**

Furthermore, in the third month of my internship, I was assigned by account receivable team lead to do bank reconciliation which is new to me. Every month account receivable need to reconcile all the transactions made by the Petrofac which are withdrawal and deposit. There are more than 100 invoices that need to be reconcile. Although it was my first time, I did well on the reconciliation and finished it on time. I will be given the bank statement each week of the month to ensure that reconciliation can be run smoothly.

### **3.2.2 Ad-hoc Tasks**

In addition, I also do some ad hoc activities such as preparing documents that need to be audited, extracting audit sample requested Financial Accounting Team and PSC Team. Only accounts payable have access to provide those supporting documents. Sometimes, more than 20 supporting documents need to be sent to the Financial Accounting Team. Although it is an easy task, I had to request the documents from some of the end users because some of the invoices and documents sent to email account payable before I start my internship. So, I don't have certain invoices in the share folder.

I also printed some of the papers and scanned some of them. So, I learned how to use company property like paper, clips, and other office supplies. It's important not to waste company resources like paper, clips, and other office supplies. Furthermore, I also have to get signature from Finance and Business Services Director to sign for important documents by using Nitro. Nitro is an apps where we can get online signature which will is more convenient than before. I learnt on how to use Nitro with combining documents, signature stuffs and others. It is amazing to learn new things in your workplace which will gain many benefits to your life.

### **3.3 Gains**

This company taught me on how to use oracle system. It is a platform where you can check status of invoice, confirm whether a vendor has been registered in system, view of expense claim and many more. It has all of the payment information for clients, and it is an honour to be able to do this job. I also learnt on how to be a confident during presentation. For example, in this month I had been given opportunity by my supervisor to give a brief about Petrofac PMY2U Portal. At first, I was nervous because it was my first time with vendor, but during the brief session I was so calm and managed to give a successful meeting during the session. I gain presentation skills during that time which is different compared to university times and I am more grateful for that.

As an intern at this organisation, I think I'll have a lot of information and skills that will help me grow as a person. This is because I have to present and talk to people well in order to come up with ideas that will help me be more bold and confident when I speak in front of others. During my job at Petrofac, I also learned new things, like how to get approval from Nitro, create an account for vendor in PMY2U Portal and others.

Every day, I learn something new and add to what I already know. I also learn new ways to write because I was involved in many different parts of the company's daily work. This helped me become a more flexible team member. My team also reached the goal, which was the biggest thing I learned during my job here. From there, I can learn not to be self-centered and to respect other people's opinions. Because of this, the task I was given made me more willing to take chances and bargain. In other words, I figure out how to do more than one thing at once because I need to do the job and still be at the meeting.

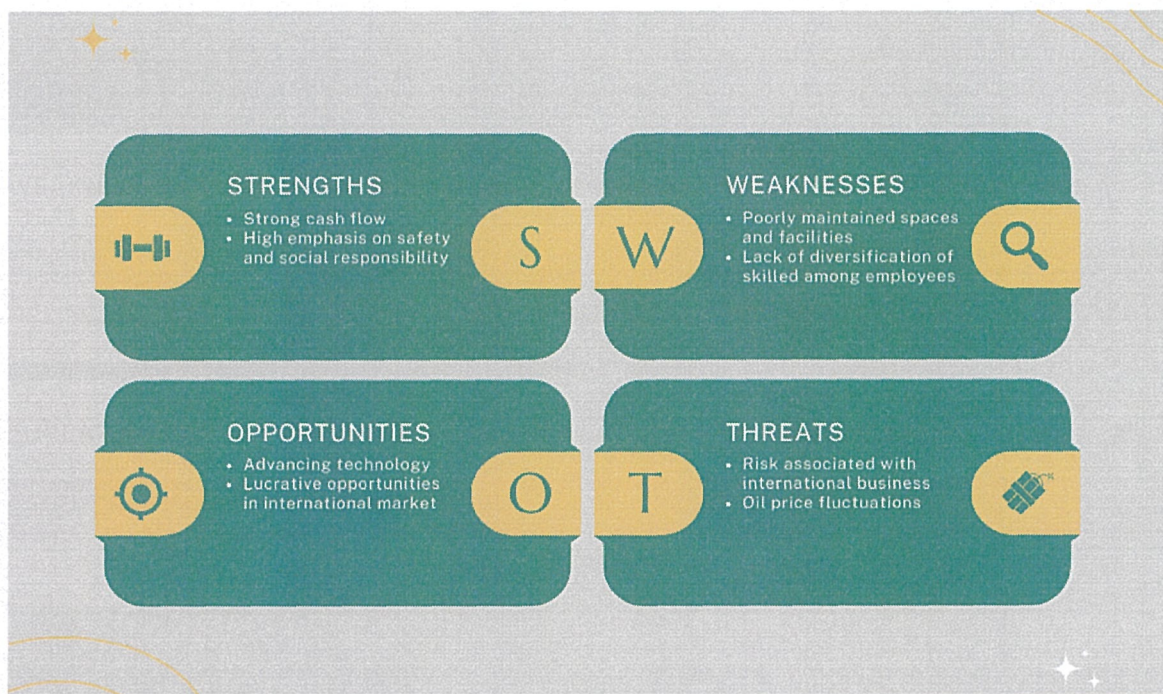
Other than that, I was given a monthly basic allowance of RM 800.00, which was paid to me in arrears during the final week of each month. During the course of their internship, trainees were also given the opportunity to take a total of six days off. In order to get permission from the authorised person, we are required to submit a request by filling out a leave form.

Sincerely, I would like to express my unending thanks to Petrofac for providing me with the opportunity to work with such hardworking and encouraging coworkers. My employees are very kind and look out for me in the best possible way. They share their experiences with me, so enlightening me and providing me with fresh information. And in doing so, they provided the chance for me to experience how the workings of the business world. I will never, ever forget this lesson, and the opportunity to be here with this team has given me some very priceless memories. I have high hopes that my future teams will be just as successful as this one.

During the course of my internship, not only was I given the opportunity to develop my existing skills and learn new ones, but I also gained invaluable life knowledge along with many fond memories. The last chapter comes to a close as the next one begins. Being a part of the Petrofac (Malaysia - PM304) team is both an honour and a source of genuine humility for me. I am grateful to the recruiting staff for their assistance in ensuring that the process ran efficiently and for believing that I had the ability to become a member of this family.

## 4.0 SWOT ANALYSIS

According to Ashutosh 2020, a SWOT analysis is a systematic method that includes creating particular organisational objectives and evaluating a corporation based on the strengths, weaknesses, opportunities, and threats that influence and organisation in both good and negative ways to accomplish its goals. The method also involves setting specific organisational goals. Internal elements include both strengths and weaknesses, such as the company's market position, goods, and innovation skills, which it either does not possess or manages in an ineffective manner. On the other side, external variables include possibilities and threats, such as developments in the market and the economy, finance, environmental rules, and financial regulations. (Kans,2021). This study will now include a discussion of the strengths, weaknesses, opportunities, and threats faced by Petrofac (Malaysia - PM304) Limited. The next step is to develop some cutting-edge suggestions based on the results of the SWOT analysis.



## **5.0 DISCUSSION AND RECOMMENDATIONS**

### **5.1 Strengths**

According to Osita (2020), an organization's strengths consist of its beneficial elements or capabilities, which include people competences, process capabilities, financial resources, goods and services, consumer goodwill, and brand loyalty.

#### **5.1.1. Strong cash flow**

One of Petrofac's strengths is that the company has a healthy cash flow. The three components that make up cash flow are referred to as operating activities, investment activities, and financing activities. However, a positive cash flow does not always equate to a profit. Having a surplus of cash, on the other hand, allows the firm to pay down debt, reinvest in the company and its shareholders, and investigate new chances for business development (Stobierski, 2020). The Production Sharing Contract (PSC) operator for Petronas is the company known as Petrofac. Petrofac is able to carry out petroleum exploration in Malaysia because to the cash that it gets from its partner. According to the annual study published by Brand Finance on June 24, 2022, Petronas was deemed to be the most powerful Oil and Gas (O&G) brand in the whole globe for the third year running. As a consequence of this, Malaysia is the third-largest exporter of liquefied natural gas in the world and the second-largest oil producer in Southeast Asia (LNG) (Bhattacharya and Hutchinson, 2022). High profit margins, low staff costs, accurate predictions of sales growth, effective payment and collection systems, and the right capital investments and debt plans are all signs of a seller with strong cash flow. As an example, Petronas did a number of things to help foreign companies that were exploring for oil in Malaysia. In 1985, the government added a number of benefits to the production sharing contract as a way to attract foreign companies and investors (Kamarudin, 2019).

#### **Recommendation**

While the larger problems are being addressed, Petrofac can maintain this financial flow through incremental improvements. Particularly made on-time payments to vendors and increased account payable team productivity. Due to late payments, the organization's reputation and cash flow may be harmed. Establishing reliable working relationships with third parties is a successful business strategy for attaining development and longevity. Failure to recognise that your supplier has liquidity issues of their own risks causing reputational damage, degrading, or even severing long-standing relationships. A negative reputation has damaging effects that harm a business. Consider the possibility that suppliers may decide not to take a risk or do so on less favourable terms and pricing if they become aware of a

reputation for payment delays, regardless of their severity. Possible that survival will take precedence over "business as usual" Since profitability and goals are inextricably linked, the client or supplier relationship is essential to a company's competitiveness and operational effectiveness. The prompt payment of invoices prevents potential disputes and promotes a healthy work environment. (Yooz, 2021).

### **5.1.2 Strong focus on security and ethics**

The company's emphasis on security and ethics is one of its strengths. The reduction of hydrocarbon discharges (a safety indicator) and injury rates (a health indicator) indicates that safety at Petrofac has vastly improved over the past two decades, as determined by comparative analysis (Alexander, 2022). This recommendation emphasises the importance of a proactive safety culture supported by all those who work in and have influence over a potentially hazardous environment where operations take place. (Cullen, 2022). People must understand the primary risks associated with an organization's operations and how these risks are managed. For instance, the HSSE team is responsible for advising Petroleum Mining Lease (PML) employees on matters pertaining to their health, safety, security, environment, and asset integrity. The HSSE team at Petrofac will implement a number of programmes to enhance the safety and health awareness of all onshore and offshore employees. On January 3, 2023, the HSSE staff will test fire alarms and fire alarm bells to verify that all equipment is functioning correctly.

#### **Recommendation**

Innovation in the oil and gas industry is not limited to increasing output. Another important priority is ensuring that operations are secure. This may involve the development of new systems for inspection, maintenance, and repair, as well as the discovery of innovative methods for monitoring the integrity of materials in complex scenarios. Moreover, as the business encounters more difficult conditions, innovation is becoming increasingly important for preserving safety. For instance, some individuals in the deep-sea drilling industry can literally collaborate with NASA in order to develop fibre optic sensing systems that will make offshore drilling platforms safer (PwC, 2021). Using the physical characteristics of light as it travels through a fibre, fibre optic sensing detects changes in temperature, strain, and other parameters.

## **5.2 Weaknesses**

In a SWOT analysis, the phrase "weaknesses" refers to internal difficulties that require particular attention so that the business may rapidly start making vital changes to retain its competitiveness in the market (Bush, 2018). These issues need specific attention so that the firm can quickly start making critical adjustments to keep its competitiveness in the market.

### **5.2.1 Poorly maintained spaces and facilities**

Moving on, Petrofac is an example of a multinational corporation (MNC) that is headquartered in the United Kingdom. One of the flaws is that multinational corporations almost never own any commercial real estate. They choose to rent office space rather than own it. Such as Petrofac (Malaysia- PM304), which is situated in Level 28 & 29 Menara Prestige, Jalan Pinang, 50450 Kuala Lumpur. The building is shared by a number of various companies, including PTTEP, Spaces, Kuwait, and others. Petrofac (Malaysia – PM304) has been located at Menara 3 Petronas, which is located close to the Petronas Towers, prior to its move to Menara Prestige. They need to lease huge office spaces in order to run the company, which means that selecting the appropriate office space might be one of the most difficult problems.

#### **Recommendation**

It's possible that transforming a traditional office layout into a shared workspace would be the most effective way to address this problem. According to Colenberg et al., 2021, the creation of taxonomies for workplace interior design, psychological health, and social development has the potential to enhance the subject and foster collaboration across disciplines. Finding a strategic and healthy coworking space is the most significant thing that can be done to enhance the overall physical well-being of the firm's workers and bring the organisation closer to achieving its objectives.

### **5.2.2 Employees' lack of a wide range of skills**

One of Petrofac's weaknesses is a lack of skills diversity within its workforce, which results in workers who are too familiar with their jobs and make little effort to expand their skill sets. This causes workers to get complacent with their work. It has occurred in the financial department, particularly in those regular operations such as processing invoices, preparing working files, rolling over files, and so on. When individuals are too familiar with the procedures that are already in place or the way that they operate in their comfort zone, we may have a tendency to stay to the same manner and not explore new ways of doing the job that are more effective or efficient.

#### **Recommendation**

Employees play a crucial role in ensuring the seamless operation of the business so that it can achieve its objectives. Similarly, the Department of Education requires its employees to confront global challenges in the workplace (Karnati et al., 2020). Employees are afforded the opportunity to assume alternative responsibilities when tasks are diversified. This allows personnel to serve in multiple capacities within the organisation. Employees are able to acquire new skill sets and, as a result, can proficiently carry out a wide range of responsibilities. This will allow employees to acquire experience in multiple disciplines and develop a flexible approach to their work. It is not only for organisation but also for personal growth. As a result, job diversification increased employees' adaptability, problem-solving abilities, and creativity and innovation.

### **5.3 Opportunities**

The term "opportunities" is used to refer to external variables that might assist in the growth of a company. Some examples of opportunities include a growing market demand, financial incentives from the government, and so on.

#### **5.3.1 Advancing Technology**

Technology advancement is one of the opportunities that enables Petrofac to conduct a differentiated strategy in organising invoices, claims, and anything else related to the finance department with its clients. During the Covid-19 pandemic, few nations avoided lockdowns of some sort. The remote labour of employees was one of the most significant outcomes. This was a disaster for companies that relied on printing and mailing invoices. Invoices would appear during unoccupied office hours and reside there until the account payable personnel arrived. Afterwards, they would be opened, processed, and paid. For this reason, we have transformed our billing system so that clients no longer receive paper invoices. Only invoices



submitted through our PMY2U portal are accepted. It is more convenient for the vendor to submit invoices and all supporting documents without having to visit the office. Any adjustments or updates to invoices can be made via the PMY2U portal, which is a very user-friendly feature. In addition, it is essential to consider how the account payable team handles supplier invoices, namely that they must improve their performance on invoice processing, reduce delays and inquiries, and ensure on-time payments by submitting invoices electronically in the appropriate format. By examining the packing list and other documents, electronic invoices containing purchase orders or other information can be instantaneously validated and processed.

### Recommendation

Regarding technological advancements in operations flow, this is the area concerned with the production and redesign of business operations in the manufacture of products or services. It entails ensuring that business operations are efficient and effective so that fewer resources are required to satisfy customer requirements. The operational management (OM) function is responsible for managing the production of products and services. Operational management is primarily concerned with production, construction, and service provision planning, organisation, and supervision. Managing all of the resources required for the production of products and services, including people, machinery, technology, information, and other resources, is the primary responsibility of every organisation (Gadwe and Sangode, 2019).

### **5.3.2 Profitable chances on the foreign market**

Petrofac is a prominent international energy industry service provider and a well-known company. Utilising our engineering expertise and consulting skills, we design, construct, and operate world-class energy facilities that are engineered for safety, maximum efficiency, and minimal emissions. According to Power Past Impossible.org (2023), the natural gas and energy industry is currently a major source of employment opportunities and will continue to be so in the future. According to an IHS analysis, the industry currently supports over 10.3 million jobs in the United States, and 2.9 million direct job opportunities will be available through 2035. Approximately one million of these positions are in semi-skilled and skilled specialty professions. This suggests that the sector has a good chance of attracting new employees, retaining them, and assisting them in pursuing fulfilling careers. Jobs in the oil and gas industry offer high salaries, outstanding benefits, and the opportunity to transform the world.

## Recommendation

Some businesses erroneously believe that quantity trumps quality. Because they are more likely to produce the desired results, it is preferable to hire a small number of competent individuals as opposed to a large number of unskilled labourers. They will increase your company's profitability and reputation as an industry leader, positioning you for quicker growth (Davidsson, 2019). It is our responsibility to preserve the organization's qualified labour force. We develop training and guidance programmes. Develop programmes that connect inexperienced employees with seasoned or dependable professionals in the field. (Simpson, 2020) Training programmes assist employees in enhancing their skills and transmitting crucial company knowledge from senior employees to new recruits.

## 5.4 Threats

According to the Mind Tools Content Team's SWOT Analysis (2021), threats may be defined as unfavourable characteristics of a company's external environment. Some examples of this would include fluctuations in the price of oil as well as the risks associated with doing business on a global scale.

### 5.4.1 Risk associated with international business

As we deal with multinational corporations, there is always an intolerable risk, which can be mitigated. The risk could be anything, particularly in terms of currency and delays in obtaining approval from an authorised individual. It is difficult to contact them because they are frequently located far from the actual decision-making centres, such as the United States-based Petrofac. The primary financial risk associated with an internal company is foreign exchange rate volatility. Each nation has its own currency, and the value of each currency may fluctuate over time due to a variety of factors that affect foreign exchange rates. As previously stated, Petrofac is based in the United States, and they prefer to be paid in their currency, the dollar (\$), while Malaysia uses the ringgit (MYR). From there, it requires considerable effort to convert the funds from dollars or any other currency to Malaysian ringgit. If the ringgit appreciates against the US dollar prior to conversion, you will receive more dollars, and vice versa. (Barstow, 2021).

## Recommendation

In this regard, we must ensure that each and every seller has a letter from Bank Negara Malaysia so that we can determine the potential for foreign currency risks. This helps to reduce the risk that we face because when a seller has a BNM letter, we are able to pay them in

Ringgit Malaysia. However, if the vendor does not possess a BNM letter, we are required to pay them in their currency.

#### **5.4.2 Oil price fluctuations**

There are indications that the oil and gas industry is marked by intense competition as a result of the enormous incentives to compete (Taha, 2018). This industry is difficult to enter, presumably due to its high capital requirements, large fixed costs, and incumbents' competitive advantage. The decline in oil prices and the spread of Covid-19 have had a substantial effect on the Asia-Pacific oilfield (OFS) industry. Since the crisis began in the first quarter of 2020, OFS businesses in the region have made it a priority to maximise liquidity by conserving cash and reducing expenses to safeguard their employees and ensure business continuity. In addition to focusing on pressing matters, OFS companies must make plans for the subsequent period, when oil and gas markets consolidate into a smaller addressable market. As the sector evolves alongside the energy transition, businesses must accelerate the reevaluation of their operations and strategies and increase their digitalization (Gupta, 2021).

#### **Recommendation**

Over and beyond that, Petrofac has to engage with others and run its business in a cooperative manner, such as via a joint venture. The goals of this partnership are to share risks, increase access to financing and technology skills, and strengthen market position.

## **6.0 CONCLUSION**

In a word, participating in Industrial Training for one semester gave me the opportunity to gain valuable knowledge and experience. Because of everything that's happened to me, I now have the self-control and a solid sense of who I am on the inside to take on any and all of the difficulties that lie ahead. It is a duty, and a profession in finance comes with a great deal of responsibility that goes along with it. Dealing with suppliers that are chasing payments and supplying consumers with queries might prove to be hard. However, by participating in a training programme such as this one, students will be prepared to take on the real-world issues that are present in the banking business.

In general, I will be grateful for the knowledge and experience I had while working as an intern with Petrofac since they helped shape who I am today. In the beginning, many expressions and concepts were completely strange to me; nevertheless, as time went on, I learnt them, and finally they were completely natural to me. It is an investigation of the internal and exterior aspects of Petrofac that are connected to one another.

The goal of the training was completed over the course of this industrial training, which lasted for a total of 24 weeks, beginning on March 1, 2023 and ending on August 15, 2023. In conclusion, it is possible to assert that the information that is imparted to students throughout the course of this industrial training is really valuable and need to be implemented appropriately in the years to come. I would want to use this opportunity to express my gratitude to everyone who has provided knowledge and insight that has been of assistance, regardless of whether or not they were actively engaged in the project.

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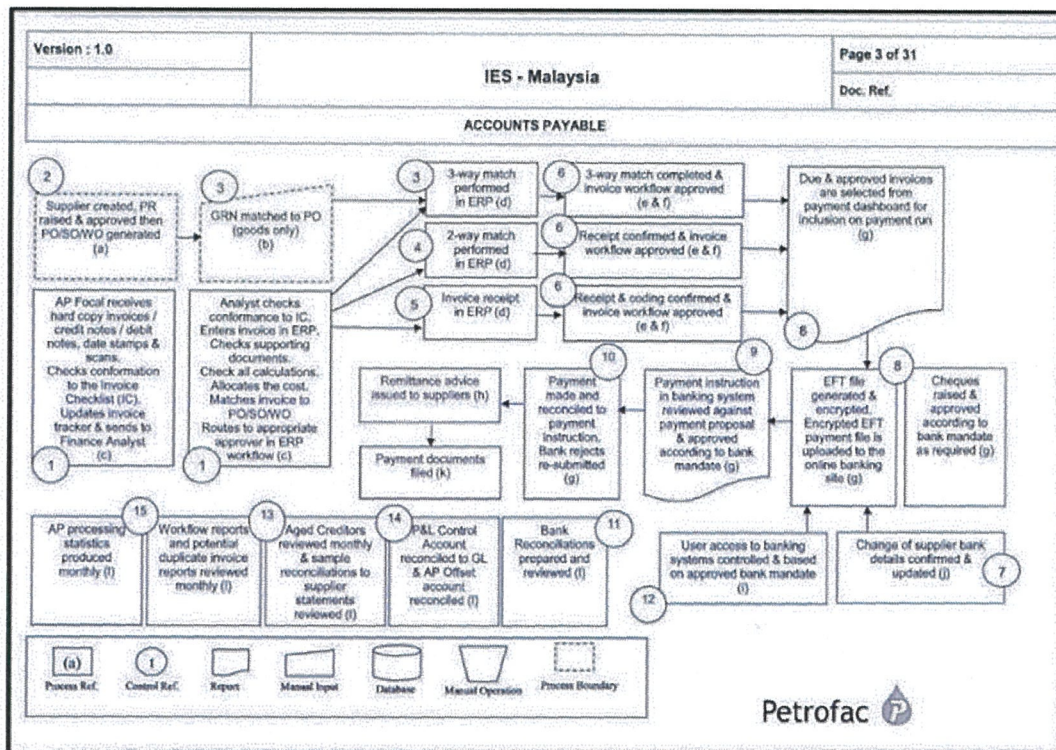
## 8.0 APPENDICES











View of processing invoices



PMY2U Portal