INDUSTRIAL Training Report

SWOT ANALYSIS
INNOVATIVE
INSPECTION &
SERVICES SDN BHD

PREPARED BY
NURZAHIRAH BINTI ZAILAN
2020846712
BA 242 6A
PREPARED FOR
DR MAIMUNAH JOHARI

EXECUTIVE SUMMARY

Students pursuing a Bachelor of Business Administration (Hons.) Finance at Universiti Teknologi Mara (UiTM) Campus Bandaraya Melaka must complete an industrial training program. This report outlines my 6-month internship with Innovative Inspection & Services Sdn. Bhd. (IISSB) in Melaka, which provided me with many memorable experiences and lessons. Even though this was part of my university's industrial training requirements, during my time as an intern student at IISSB Melaka, I was exposed to the real world and learnt a range of skills. I learnt how to connect with clients and investors, as well as how to operate as part of a team and form strong bonds with staff.

The goal is to deliver products and services within the scope of the time as stipulated in the contract agreement. I am sure that this company will always provide good service. This report begins with the student profile, followed by the company background, which includes the vision, goal, and values, as well as the establishment background. In addition, the organizational chart of this company is depicted in this report. Aside from the company's basic information, the products and services given by this company have also been discussed. The company's SWOT analysis is the highlight of this research.

Throughout my internship program, I had a variety of experiences to prepare myself for a real-world working situation. Many skills have been practiced that will be very valuable for me to employ in the future. I made recommendations at the end of the study for the company to develop its strengths, overcome its weaknesses and threats, and seize any future opportunities.

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1.0 ACKNOWLEDGEMENT

To fulfil the internship requirement for the subject's MGT666 course, I interned at Innovative Inspection & Services for several months.

First and foremost, I want to thank Allah SWT for giving me the opportunity to complete this course and for giving me the knowledge, bravery, and patience I required to do so. I do this training with great enthusiasm and make the most of the available time by putting in the necessary time and effort to complete this entire semester.

I also wanted to thank my boss, Encik Arisyam bin Abdul Rahman, and my supervisor, Ms. Nur Izzati binti Md. Lip, for their unending encouragement, assurance, and direction throughout my industrial training adventure. Not to mention, I want to express my gratitude to all the employees at Innovative Inspection & Services Melaka for providing me with the required advice and guidance during my industrial training. Without their assistance, this training session would have been useless. Dr. Maimunah Johari is my advisor, and Ms. Nurhaslinda binti Hashim is my faculty advisor.

I also want to thank my family and best friend for their financial assistance and moral encouragement, both of which were essential to the completion of my report. A special thank you to each employee at the Innovative Inspection & Services branch for their assistance and support throughout.

Lastly, it is highly appreciated that every single person who contributed to producing this report in any way be acknowledged for their work. The opinions and contributions of these people have greatly accelerated the production of this study.

2.0 STUDENT'S PROFILE

Contact

Phone

[redacted]

Email

[redacted]

Address

[redacted]

Education

STPM
Sekolah Menengah Kebangsaan Seri Tanjung
CGPA - 3.08

Degree in Business Administrarion (HONS.) Finance
UITM Kampus Bandaraya Melaka
GPA - 3.41
CGPA - 3.17

Software

Microsoft Word
- Excellent

Excel
- Good

Microsoft Powerpoint
- Good

Language

Bahasa Melayu - Expert

English - Excellent

Reference

NURHASLINDA BINTI HASHIM
Senior Lecterur, BA242 Coordinator

[redacted]

NUR ZAHIRAH

EXPERIENCE

2019
TKR Manufacturing M (Sdn. Bhd)
Operator / Quality Check

- Monitored machinery in operation to identify concerns and make corrections or report complex problems.
Supported machine operators in setup
- Supported current production needs by moving items between equipment, conveyors and staging areas
- Examined incoming materials and compared to documentation for accuracy and qualiity

2020
Econsave
Cashier

- Greeted customers to the store, following through on requests and orders
- Carried out all transactions on cash register, including cash, checks and card payments
- Trusted to open and close store, including balancing the cash drawers

March - August 2023
Innovative Inspection & Services Sdn. Bhd
Internship in Finance

- Developed annual profit and loss statements and balance sheets for the company
- Prepared monthly documents, cash flow, payment voucher and travelling form for technician using Microsoft Excel.
- Performed administrative task such as answering phones, taking messages and addressing emails with 100% efficiency.
- Prepared financial summaries , forecasts and analyses for management

ACHIEVEMENT

- Second Place (Silver) in Innovation Project, Issues and Ethics in Finance (UITM)
- Participate in FSA Poster Competition Number Analysts (UITM)
- Participate in Jabatan Pertahanan Awam Camping, (State)
- Fourth Place in Bowling, School Level Melaka (Form Six)
- Participate in Museum Run, (National)

3.0 COMPANY'S PROFILE

3.1 COMPANY BACKGROUND

Figure 1: Official Logo of Innovative Inspection & Services

A private limited company called Innovative Inspection & Services Sdn Bhd was established on June 12, 2014, in accordance with the SSM. It was founded in 2014 as a Non-destructive testing (NDT) business. This company, is a small company which is entirely owned by Bumiputera Malaysians, is committed to providing top-notch non-destructive testing services for the oil and gas, refining, power generation, petrochemical, energy, fabricators, construction, and daily emergency needs industries.

They have expanded their service offerings as their company has evolved, adding PWHT (Post-Weld Heat Treatment) and workforce supply services to their list of offerings. They are essential in creating a better working environment for their customers and communities.

The main offices of this business are in Melaka, and its operations locations are in Tanjung Minyak, Melaka, Paka, Terengganu, and Ipoh, Perak.

3.2 COMPANY'S INFORMATION

Company's Name	Innovative Inspection & Services Sdn Bhd
Company's Location	No. 7 & 7-1, Jalan Industri TMP 1A, Taman Perindustrian Tanjung Minyak Perdana, 75260 Melaka 
Company's Logo	INNOVATIVE INSPECTION & SERVICES SDN BHD
Office Number	06 – 2742268
Working Day	Monday to Saturday Closed on Sundays, and any national or local holidays that fall on those days.
Working Hours	8:30 a.m. to 5:30 p.m. 8:30 a.m. to 1:00 p.m. (Half Day)

Table 1: Company's Information

3.3 MISSION AND VISION

Mission	Kami akan terus membangun dan mengekalkan tenaga kerja berkemahiran tinggi, bermotivasi dan profesional untuk menjana dinamik yang akan mendorong perniagaan kami ke kawasan pertumbuhan permulaan dengan jangkauan global dan asas pendapatan mampan yang pelbagai.
Vision	Menjadi penyedia perkhidmatan teknikal pakar pilihan kepada industri minyak, gas dan petrokimia di Malaysia dan luar negara.

Table 2: Mission & Vision of Company

3.4 OBJECTIVE

Innovative Inspection & Services Sdn Bhd is very committed to providing bodies and services that meet customer needs consistently. They will also set targets for continuous improvement in service and continue to work towards getting it right the first time and every time through the implementation of an effective Quality Management System.

3.5 GOAL

To deliver products and services within the scope of the time as stipulated in the contract agreement.

3.6 ORGANIZATIONAL STRUCTURE

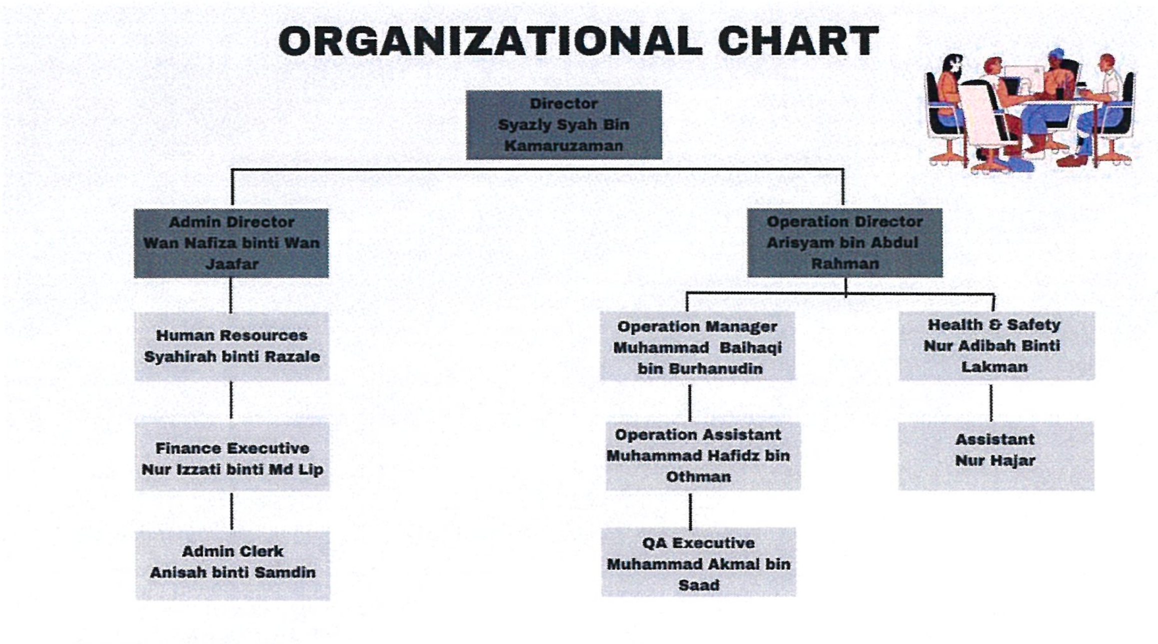

Figure 2: Organizational Chart of Innovative Inspection & Services

3.7 PRODUCTS OR SERVICES

3.7.1 Non-Destructive Testing (NDT)

There are 3 Non-Destructive Testing (NDT) services that companies provided which are Dye Penetrant Testing (DPT), Magnetic Particle Testing (MPT) and Radiographic testing (RT). Methods that have been used in the past NDT techniques have grown over several decades and have been well-documented in codes, standards, and best practices.

Dye Penetrant Testing (DPT) is used to detect surface-connected discontinuities such as fatigue, quenching, and grinding cracks, as well as fractures, porosity, partial fusion, and faults in joints. Innovative technicians may undertake Dye Penetrant Testing on any non-porous metal goods, including ferrous and non-ferrous metals, welding structures, cast and forged items, new components, and raw materials.

Magnetic particle testing (MPT) is an effective method for locating surface breaking and minor subsurface defects in magnetic materials such as cracking, porosity, cold lap, lack of sidewall fusion in welds, and so on. Innovative technicians can perform Magnetic Particle Testing on welded objects, new components, raw materials, and other things made of ferromagnetic materials such as iron, nickel, cobalt, or some of their alloys.

Radiography Testing (RT) is a non-destructive testing (NDT) method that uses the ability of short wavelength electromagnetic radiation (high energy photons) to penetrate various materials to evaluate the quality and integrity of materials for hidden faults. Innovative abilities include the inspection of a wide range of steel goods, including welded joints, casting products, components, machine products, raw materials, and structures.

3.7.2 Manpower Supply

Innovative Inspection & Services provides services based on the needs of the client or the project, with a well-built and qualified technical backup in terms of manpower and equipment. The company sends well-trained and experienced technicians to the facilities, and the organization obtains trust in the individual's expertise and skills. The organization makes every attempt to meet the needs of employers who require labor.

The company has the capability to provide or supply skilled and certified people to a variety of clients, either directly to PETRONAS or through main contractors such as piping inspector, tank inspector and pressure vessel inspector.

Innovative helps companies from many industries in overcoming issues such as increased workloads and a shortage of in-house labor availability. Their one-stop workforce solution for personnel addresses general and technical service requirements for all major construction and industrial sectors, including civil & structural, mechanical, plumbing, pipeline, marine & shipyard construction, manufacturing, and oil & gas projects.

3.7.3 Post Weld Heat Treatment

Any heat treatment performed after machining/welding to improve the mechanical and chemical properties of the machined surfaces/weldment is referred to as post weld heat treatment (PWHT). Welding creates residual stresses in a structure, which cause long-term structural deformities.

Individuals on the Innovative team have received extensive training in the practices and applications of heat treatment, as well as actual expertise in executing heat treatment in compliance with Engineering Codes and standards. The company's competitive advantage in the business stems from their commitment to providing highly efficient and professional technical services.

4.0 TRAINING'S REFLECTION

4.1 DURATION

24 weeks is the duration of the industrial training program at Innovative Inspection & Services. I started my internship journey from 1 March 2023 and to be completed by 15 August 2023. The company's business hours are from 8:30 a.m. to 5:30 p.m. with one hour of flexible relaxation and two hours on Friday.

4.2 DEPARTMENT

There is a division of work, which consists of Human Resources, Operation Management and Finance. There are two floors in the branch office. The Operations Management department is on the first floor, while the Finance and Human Resources department are on the second floor. I was assigned to the Finance Department in the Innovative Inspection & Services during my internship.

4.3 ROLES, RESPONSIBILITIES, TASKS & ASSIGNMENTS

I was assigned to the Finance Department on the second floor during my internship. I work under the supervision of finance management and must follow the accounting or auditing process. I help in the development and implementation of policies and practices for financial management, payroll, budget control, accounting and so on. I will key in data for specialized information in reports, forms dealing with fees, billing, a summary of petty cash and tracking of projects, an invoice, and a travel claim form into Excel.

During my time at the finance department, I learned some procedures, such as how to conduct a banking transaction and call the client to get an update about the latest payment and invoice. Then I learned how to prepare monthly or weekly financial reports.

In addition, I will help and update accounts receivable, account payable, payment voucher and assist with audits. I was able to understand and follow financial trends by interning under a finance executive and gaining practical expertise. I can practically apply my theoretical knowledge of finance in my day-to-day work as an intern at a finance department. Sometimes, my boss asks me to join the meeting to gain more knowledge about the financial company.

4.4 GAINS

4.4.1 BENEFITS

Monthly payment for allowance is in the amount of RM300. I have my own workspace, and there is also a little prayer room and pantry where people can eat and drink. On occasion, the staff will provide us with delicious food. I was also offered a permanent position after finishing my internship. I can apply for annual leave if there is any urgent, not feeling well or have reasonable reasons. As an intern, I need to fill up the leave application form to be eligible for the paid leave.

4.4.2 KNOWLEDGE & TECHNICAL SKILLS

Throughout these 24 weeks at Innovative Inspection & Services, there were various inputs and experiences that I gained here. I have always been thankful that I was given the opportunity to pursue my internship here after receiving the offer letter.

The first is in terms of communication skills. My internship in the finance department provided me with a wealth of knowledge that helped me compose my words. Appropriately while dealing with clients to ensure that the information provided was understood by the clients. In addition, I improved my communication skills with clients, which increased my comfort level when interacting with them.

Second, I gained a lot of knowledge and experience in technical skills. I was an intern under the supervision of the Finance Executive on duty to input data for Cash Flow, invoices, and Financial Reports, as well as data into Microsoft Excel, to gain this knowledge. As a result of my internship training, I am a more cautious intern and a person who accepts responsibility for my errors.

Lastly, I gained knowledge about cooperation, multitasking, and how to maintain strong relationships with clients and employees during the period of 24 weeks. I also learned about auditing at the company. In addition to gaining experience in actual financial industry work environments. Since joining this branch, I have improved my focus and client interaction skills.

5.0 SWOT ANALYSIS

Figure 3: Swot Analysis of Innovative Inspection & Services

6.0 DISCUSSION AND RECOMMENDATION

6.1 STRENGTH

- **Good Auditing Process**

Discussion

In June, Innovative Inspection & Services go through the auditing process. Audit planning, timeliness, and communications, as well as auditor professionalism and performance, are all part of the company audit process. According to ***Akkerman & Admiraal (2020),*** the audit procedure provides guidelines for the auditee, who keeps an audit trail of the research study. The company has enough time to prepare their documents such as bank statements, checks, petty cash, list of transactions and monthly report. They have been correctly accounted for and recorded in the general ledger. Innovative Inspection & Servies go through five stages, including selection, planning, fieldwork, reporting results, and following up on corrective action plans during the internal audit process.

After settling the auditing process, auditors meet with all the staff of Innovative Inspection & Services to review the audit results, particular findings, suggestions, and other observations. Auditors report this to management via an audit observation memo and request that management respond with an action plan and time limit for implementation. The management and leadership are given the opportunity to study and provide input on draughts.

Recommendations

I think it would be a great idea for Innovative Inspection & Services to make some process improvement methodology. Processes can be improved by implementing new technology, reorganizing workflows, changing organizational structure, restructuring jobs or activities, adopting best business practices from other industries, and removing waste. According to ***Zitter, (2023)*** importance of the audit procedure for enhancing transparency and acceptability Process improvements help the company in identifying areas where audit quality may need to be improved and to ensure auditors have enough information when they need it. This includes having all relevant paperwork on hand, having remote access to databases, and tracking data changes over time. It makes an auditor job easier when they have everything they need before beginning an audit.

- **Additional Assets**

Discussion

There are 11 oil and gas companies in Malaysia that got tenders with Petronas, and Innovative Inspection & Services is the only one from Melaka. Since technicians need to go on site visits to do their jobs at Paka, Ipoh, Pengerang, and elsewhere, Innovative Inspection & Services takes the initiative to add asset. Assets are everything a company owns.

A business asset is an item of value owned by a company. According to ***Beaver (2022),*** asset is something of value that a company expects will provide future benefit. They can be building materials, physical assets like computers, furniture for offices, and other fixtures, The company rents a printer since they have more hardcopy invoices to send to clients. One for the Shell project at Port Dickson and another one is at the office. They also added another laptop for new staff since the company needs to handle a lot of projects starting in June and buy another office stationery for their staff.

Recommendations

I will recommend that Innovative Inspection & Services know what assets and liabilities the company have, as well as their value, and make a list of all such as office furniture, vehicles, laptop, equipment, and the building. According to ***Christine (2023),*** physical assets may account for a considerable amount of company value. Once a company has a list of its assets, it may calculate their worth and include that information in the balance sheet. Physical assets could account for a sizeable amount of the company's value. They must ensure these assets since they are essential to the operation of the company. If any equipment is stolen or destroyed by natural disasters such as flood and fire, business property insurance will pay for replacements.

- **Positive Cash Flow**

Discussion

According to ***Derrald (2019),*** a key measure of cash flow health is free cash flow. The movement of money into and out of a business is known as cash flow. There is more money coming in for a project, not that more money is being spent at Innovative Inspection & Services. This is necessary for a company to maintain long-term growth. A healthy cash flow is the outcome of businesses that function smoothly and efficiently. The company's liquid assets or cash earned from its operating activities surpass the cash spent to keep it functioning. Innovative Inspection & Services is operating cash inflows because the income is from selling goods and services are offset by cash outflows from salaries, rent, and other operational expenses during regular business operations. A positive cash flow helps the company in maintaining positive financial connections with both clients and suppliers.

Recommendation

Companies with good cash flow can pay their operating expenditures, invest in new equipment, distribute dividends to shareholders, and attract outside investment. According to ***Danial (2019),*** a continuous time model of a levered firm with fixed assets generating a cash flow that fluctuates with business conditions. A consistent positive cash flow also implies that the company may add to its assets and create value for its owners. The ability to manage cash flow successfully is essential to the long-term viability of the company. Additionally, it will enable the company to keep adequate working capital on hand to continue operations during slow times. I think it would be a good idea to ask clients to pay faster or ask for a deposit or milestone payment. The company must encourage the clients to ask for a deposit and send the most recent invoice because if it is delayed, company payment will be delayed as well because the finance department did not give clients any updates. Clients will constantly ask how much they must pay for the services they receive from the business if they did not receive any invoice.

- **Always do A Planning Budget**

Discussion

According to ***Certified Institute of Management Accountants (CIMA)*** a budget is a "quantitative expression of a plan for a defined period. The finance executive will come up with a plan to pay any bill, settle any debt, pay travel claim, or pay any daily costs for the pantry or office supplies. After presenting the budget, the finance executive will await management approval before making the payment. The budget belongs to the entire company, not just the management. A planning budget created by a finance executive because it serves as a financial road map for the coming time and, if all goes according to plan, it outlines how much money should be made and spent on specific services. The finance executive will plan and forecast the company's future income and expenses. Though anticipating company income and gains can be difficult, they can always be prepared with their expenses and losses. The company has an excellent understanding of how the entire process works.

A planning budget is necessary because it assists the company in establishing priorities, objectives, and spending restrictions. It allows the company to keep track of its financial situation, enabling for more productive long-term planning. Creating a planning budget also assists in determining when they can hire new staff and set new revenue targets in accordance with company objectives.

Recommendations

I think Finance should keep track of all money coming in and going out so that it may be flexible and create spending targets. They can review the profit and loss statement from the previous two years then remove any costs and revenues that the company does not intend to recur in the following year and get an average of the previous two years' profit and loss statements. Budget planning is important because the company needs to save money for other vital things in the future and know where the money is going every day. Justify each expense in terms of its long-term profitability and adaptability. They can keep up-to-date accounting records, become more efficient, pay bills on time, control overhead and expenses. So, establish strategies as well as strategies to help new projects succeed. Knowing the exact amount of money flowing in and out of the company enables the Finance Executive and Manager to make sound decisions.

6.2 WEAKNESS

- Not Having an Emergency Fund

Discussion

Not having an emergency fund can lead to one of the biggest money mistakes, according to ***Suze Orman (2022).*** It could be difficult to come up with the money to pay for the costs if a car breaks down or is involved in an unexpected accident. As unexpected, since we cannot predict the unpredictable, one of the technicians was travelling to Seremban to do a site visit in February, then the front mirror of a Bezza automobile cracked during the drive at highway because hit a small stone. Furthermore, driving the car is unsafe because the front mirror is cracked and will break at any time. The car requires service, and it is difficult to come up with the cash to cover the cost. Considering that the company do not have an emergency fund, they visit a Service Centre in July to have the mirror fixed since they take a month to fix the problem.

Recommendation

In my opinion, they must build up company saving or three to six months' worth of operational expenses should generally be kept on hand in an emergency reserve for the business. They can create a separate account at the same bank for their emergency fund. According to ***Chang et al, (2019),*** emergency funds as having financial assets sufficient to cover at least three months of spending This may seem like a lot, but having a sizable cushion is essential for when things get rough. Until the business has enough money in its account to pay expenses for three to six months, the company can cut out a proportion of profit. An emergency fund might really provide a company with more financial flexibility. It enables the company to make decisions without being constrained by financial constraints. Interrelated costs might be grouped together by a finance executive. Having them all in one location makes it easy to see trends and inconsistencies, allowing for better planning. For example, group together all the office costs, such as occupancy costs, labor costs, office utilities, stationery expenses, bills and so on. At the end of each period, the company's revenue should be sufficient to cover all costs. To keep on track, connect the company's operations plan to the budget.

- **High Cost of Equipment**

Discussion

All oil and gas equipment are high cost, and the price will reach up to a hundred thousand. Innovative Inspection & Services need to do loan from the bank to buy the equipment since they get a lot of new projects soon. The down payment, appraisal fees, and loan interest are all charges that affect the total cost of buying for equipment loans. According to the most recent ***McKinsey & Co. (2021),*** oil and gas industry costs could rise by 6% to 10% in 2023 due to labor uncertainty and raw material inflation. So, companies will suffer some losses since they need to pay high interest at a bank. The purchase price has the greatest impact on Innovative Inspection & Services and its operational costs. Even little price differences can result in significant changes in equipment costs. The company cannot fully own the assets if they used it as security for loan and they are entirely liable for the asset maintenance and repair, which may be a risk if the equipment breaks down or needs to be replaced.

Recommendation

Purchasing equipment outright may appear to be the greatest option at first, but it is always a good idea to consider whether this makes the best use of the working capital. I think certain things may be more cost-effective to rent or lease the equipment to save the budget expenses. Heavy equipment is the backbone of oil and gas companies, but the expense of purchasing and maintaining it can be too expensive for small brands and those just starting out. According to ***Krishnaswamy (2020),*** one of the most important elements in civilizing contractors' capacity to do their work more successfully and efficiently is equipment. Getting the lowest lifetime cost on equipment is the greatest option, however this is heavily dependent on how well the piece has been cared for over its lifetime. If the project always needs the equipment, we can buy it but if rarely use the equipment, I suggest renting from another company to save money.

- **Overdependence on Client Payment**

Discussion

Innovative Inspection & Services generates about 80% of the revenue every month from the client since they provide services for them. The director said that staff salaries are based on client payment, so this is why the company needs the clients to pay on time. Overdependence on client payment is the level of revenue risk that Innovative Inspection & Services portfolio carries because of its reliance on a small pool of clients. According to ***Oakey et al, (2020),*** a critical, commonly encountered type of dependence for young firms in business-to-business markets is dependence on a key customer. The greater the client, the greater the risk to the company revenue. Do not put all your eggs in one basket, as the expression goes. The company reduces revenue risk by diversifying the company's portfolio.

Recommendation

As a small company, I recommended the company send updated invoice on time or call and email clients to know about the payment update, and they must chase clients unless they make payment on time. The company can email the invoice to the clients first, after a few days not responded to email, Innovative Inspection & Services can call the client after sending them last month invoice, so they know about the latest payment. The due date should be specified in several places such as preferably in bold, including at the top of the invoice and at the bottom of the payment slip. Include specific information about the payment methods that are accepted. If the company charge late fees, make sure this information is included as well. It is very important since the company income is from the services that they provided for the clients. According to ***Lee et al (2021),*** dependence may have detrimental effects on firm survival.

- **Debt with Bank is Growing**

Discussion

Larger loans or debt will have specific requirements, or covenants, that Innovative Inspection & Services must meet, such the delivery of quarterly management data. When the company obtains a loan from a bank, there is always the possibility that interest rates will rise over time. The company must pay extra interest to the bank because they made new a hire purchase for three cars since the overnight policy rate (OPR) is increasing. In June, the company added another Triton and two Axia cars for technicians which are liabilities. The triton is used for an ongoing project at Port Dickson for the Shell Project, and the project will end in September, so technicians can use it for the next project, which is Petronas, while the Axia is for an upcoming project for Petronas in august. According to ***Fahad Hussain (2021),*** a finance option called hire purchase enables you to spread out the cost of purchasing your car over time rather than paying for it all at once. In a hire purchase arrangement, the bank (or lender) continues to be the legal owner while Innovative Inspection & Services uses the cars and oversees its maintenance and insurance, but the cars are still owned by the bank.

The company needs to pay more for whatever they are financing through hire purchases and do not own the cars until they have made the final hire purchase payment. The application process for a bank loan is long and complicated since banks insist that the process be full and comprehensive. A bank will want to check all its bases before lending money to the company because Innovative Inspection & Services is a small business looking for a loan.

Recommendation

According to ***Barret (2013),*** real interest rates have rapidly increased recently as monetary policy has tightened in response to higher inflation. Bank interest rates on small company loans can be high, and the amount of bank money for which a business qualifies is frequently insufficient to cover all its demands. In my opinion, Innovative Inspection & Services need to hold on to buy new equipment or wait until other debt is decreasing then they can make other loans to add any assets or liability at company. Think wisely before making any hire purchase and see the cash flow, if still positive and good then can proceed to buy other assets or equipment if not just wait for a while.

6.3 OPPURTUNITIES

- Surplus of Allocation Budget

Discussion

The company has a surplus budget from the Bumitech company since they cooperate with them, and they supply the need for equipment if the company does not have it. A budget surplus indicates that there is extra money to spend at the end of the accounting period for Innovative Inspection & Services, which is often a fiscal year. This extra money might be utilized to pay off debts or reinvest in other ventures. It can even be returned to the public through pricing or tax reductions. According to ***Jena kosinski (2021),*** A budget surplus happens when revenue surpasses spending over a specific time. Other companies such as Kawan Engineering, Mushtari Maintenance Services and others also provide funds to certain projects and expenses. Having a surplus can be beneficial because those funds can be used to pay off debt or fund new investments. Lowers interest rates and encourages economic activity. A budget surplus can make it easier for the private sector to invest, develop, and grow.

Recommendation

I think A surplus can cut interest rates and open credit for businesses and consumers by reducing the demand for government borrowing. A surplus allows the government to decrease taxes, provide subsidies, or create incentives for Research and Development, entrepreneurship, or green initiatives. These policies can enhance demand, increase competitiveness, and promote private-sector innovation and productivity. According to ***Pulier (2021),*** budget surplus can foster innovation and productivity.

- **Increasing Profitability**

Discussion

Profitability is the ability of a business to produce more revenue than expenses. According to ***Balabanov (2021),*** profitability in the broad sense of the word means efficiency and returns. Innovative Inspection & Services normally generates income by selling products or services to customers and incurs expenses by paying to produce such items or services. Profit generation permits companies to continue to grow and compete with other companies, hence increasing profitability is critical for the company. Profitability is important for the company since they want to grow their business. Profit allows them to open additional business locations, purchase another company, target new customers, and grow their operations.

Improving business profitability can help them to reduce cost, increase turnover and productivity. They provide more services with the same amount of labor and equipment and focus mainly on selling and on delivering great service to clients.

Recommendation

I think Innovative Inspection & Services can try to find new clients because it can help grow company business such as other oil and gas company that partnership with other big company or focus on your most profitable client because it may be more profitable to sell fewer products and services to higher spending clients than to focus on increasing sales volume alone. According to ***Narver and Slater (2019),*** innovation may increase customer satisfaction and loyalty. Then, the company can develop new products or services such as asking clients about what new products or services they are interested in. They can do some surveys through media social or form to know more details and do some improvement or add other services that can gain profit for the company. So, they can improve company customer service and develop a staff training program.

- **Join Big Company**

Discussion

According to ***Elizabeth (2022),*** a huge business is any organization with a significant enough market share to have an impact on its industry. A big company such as Petronas and Shell invest in Innovative Inspection & Services because they have a positive cash flow. Working with a big company gives many professional opportunities. If the company wants to get trust from a big company, they must have a big amount of money in bank to join a project, positive cash flow and good networking. The company provides services to specific needs or edge cases that larger company need that other company do not offer and they will have the opportunity to learn from people who are experts in their field. By merging their respective offers and providing unique value to clients, they can offer synergy to Petronas and Shell.

Recommendation

Before signing any contract and joining a big company, I think the company must limit its responsibility and protect its interests by consulting legal professionals. While large companies have legal teams to work through legal issues, small companies can address various issues through written agreements between owners, with partners, in operations, and to avoid dispute. According to ***Skye (2022),*** fighting large business is frequently tough without a variety of strategies in place. In addition, it would be great idea if Innovative Inspection & Services have the adaptability like they were able to modify products and services to match the specifications of their clients and offer a more personalized experience for the company existing and potential clients. Since small businesses typically work closely within their local communities, they can better understand the needs of their clients.

- **Growth of Existing Market**

Discussion

According to ***Sundar (2020),*** market growth plays a central role in virtually all strategic marketing models developed in the past 30 years. Innovative Inspection & Services have plans to grow their business and increase sales. They have successfully increased the volume of products and services sold this year. The number of clients interested in purchasing these items and services is growing over time, putting greater demand on the current supply. Innovative Inspection & Services has customers, competitors, and services to provide on the market, and they can quantify the size of the opportunity such as number of current clients, total revenue, and growth rate. Their strategies are to improve the existing services, increasing marketing efforts and expanding into new markets. The company also have loyalty clients that can help prevent clients from leaving the company.

Recommendation

I think one of the fastest ways to grow is to utilize existing clients by improving services efficiently. Make sure the company efforts consistently focus on retention and creating loyal, raving fans. They will become repeat clients and tell others, which will build instant referrals, trust, and credibility. in this case, company will have a good reputation and I think other company will be interested with the good services since we get positive feedback from clients. To maintain it, Innovative Inspection & Services must hold on to it and treat each client as an investment. They should make the company target audience feel appreciated by engaging with them and, most importantly, by listening to them.

5.4 THREATS

- **Late Payment from Clients**

Discussion

Some clients have not made a payment since last year and make a late payment even though Innovative Inspection & Services already updated the latest invoice, call, and email but there are no responses, and it will lead to a company loss. The company also uses wording such as "payment due" rather than "Net 30." to be clear as possible. According to ***Hamid (2023),*** payment default is considered a major problem in the construction industry. Late payments usually lead to an unhealthy cash flow because the company is compelled to bear additional expenses like overdraft fees as a direct result. Outstanding bills and late client payments are the most significant cash flow barriers and the biggest challenges, especially for small companies like Innovative Inspection & Services.

Recommendation

It can be improved by encouraging clients to pay on time, such as follow-up and enforcing late penalties on bills. They should be proactive about payment collection like establishing online payments and auto-pay services. I think to minimize late payments, Innovative Inspection & Services should calculate their debtor days such as the average amount of time it takes for clients to pay them and determine an acceptable number of debtor days. The allowed number of debtor days is often determined by their credit conditions and business strategy, but the fewer the number, the better. They can discuss nicely and ask them why they are not paying or take legal action if they are not any update from the clients. Keep track of all correspondence, invoices, contracts, and payment attempts. Detailed documentation will be beneficial if they need to go to court. So, it is important to discuss all costs and payment terms before beginning a project.

- **Currency Risk**

Discussion

Innovative Inspection & Services are exposed to currency risk since they cooperate with other Non-Destructive Testing (NDT) companies from other various overseas countries to buy equipment. According to ***James (2022),*** currency risk, commonly referred to as exchange-rate risk, arises from the change in price of one currency in relation to another. The company was exposed to fluctuations due to the exchange rate and it is not good since our ringgit is not strong enough. The exchange rate between currencies fluctuates continuously because of economic insecurity or diplomatic breakdowns. The company operates cross-border operations which are vulnerable to currency risk and can result in unpredictability of earnings and losses.

Recommendation

I think Innovative Inspection & Services should have online meetings with clients first because it is very important, and the company must make a budget if the company can afford the high-cost equipment because they need to convert it into dollars. The ringgit is still weak against the dollar and our ringgit value is ups and downs so early plan is good thing for company to do. As we know, currency risk arises from fluctuations in the price of one currency relative to another.

- **Freelance Worker Demand for High Payment**

Discussion

Innovative Inspection & Service typically prioritizes employing full-time staff. However, hiring freelancers is a popular strategy that necessitates a different approach. Freelancers usually work on a variety of projects in a variety of fields, which allows them to develop new skills and broaden their experience. So, they charge a higher rate than staff for their services. Depending on the terms of project, freelance are paid per project, hour, and job. Not everyone has an oil and gas certificate because every skill and demands are different for every method and services. Freelancers who have good skill in oil and gas can demand how much they are willing to pay, and allowance given because company need their skill to do some project at onshore and offshore site. The payment rules differ for freelancers. In addition to this, the company must keep a tab of different payment modes and platforms to pay freelancers.

Recommendations

In my opinion, instead of hiring a new freelancer for every new project, the company can try to build good relationships with those they have already collaborated with. They may concentrate entirely on delivering the finest potential outcomes with the job in a timely and efficient manner since they recognize that exceeding company expectations is in their best interests as well. Freelancer will understand how to get all the materials they require on their own, as well as manage their time and tasks to complete everything on time if they always collaborate with the company. This will ensure that they fit nicely into the company workflow while improving responsiveness and work quality. According to ***Rowland (2023),*** freelancers are widely recognized to help modern business to be more resilient, brisk, entrepreneurial, and inventive, working as front-line major forces for a broad range of industries.

- **Operational Risk Involves the Overall Cost of Operation**

Discussion

The oil and gas sectors do not have the luxury of operating in a single region of the world. These industrial undertakings must instead take place at the location of drilling, extraction, or refinement. As a result, Innovative Inspection & Services experience difficulties with a variety of political entities and governments. Projects in the oil and gas industry can last decades, and effective risk management must adapt to shifting demands. Similarly, cost risk impacts the profitability of an oil and gas industry. Highly qualified workers must be retained during slow periods of production, and new legislation may result in greater compensation and lower insurance costs for Innovative Inspection & Services staff. Operational risk involves prospective problems that may develop over the course of an operation, such as labor strikes, increasing wages, and total operational costs. According to ***Vecente (2023),*** the risk of loss due to poor or failed internal processes, people, systems, or external events that can disrupt the flow of corporate operations is referred to as operational risk.

Recommendation

In my opinion, companies can manage operational risk by predicting risks, performing cost-benefit analysis, avoiding excessive risk, and delegating strategic planning to higher management. Understanding when risk is approaching and anticipating its implications is maybe one of the most critical components of risk management. Companies can use this information to make decisions on whether to accept, minimize, or avoid risk.

7.0 CONCLUSION

In conclusion, finishing my industrial training at Innovative Inspection & Services was extremely beneficial in terms of developing and growing my knowledge, skills, and abilities. It was a once-in-a-lifetime opportunity for me to spend 24 weeks at the company. It is eye-opening to learn how real tasks are completed, and exposure to both office and outdoor work is helpful. My future professional activities will benefit greatly from the invaluable experience and information I have obtained.

In the finance department, I was taught and coached to be confident and to do new things, and I was able to perform cold calling, which I previously thought was the most difficult thing to do. In addition, the staff is all incredibly helpful, which reduces my concern about working in this setting because it is so rewarding. The company provides thorough and competent service. I appreciate the helpful experience and advice that my boss and the Innovative Inspection & Services staff have given me. They also helped me in overcoming some of my flaws and providing guidance when I required it.

I am grateful for the opportunity to participate in Innovative Inspection & Services 24-week industrial training programmed. They are like family to me since they support and treat me as if I were one of their own siblings, so if the opportunity to work with them arose, I would gladly grab it. In the next five years, I see myself working with financial institutions and reaping the rewards of what I've been able to achieve through hard effort.

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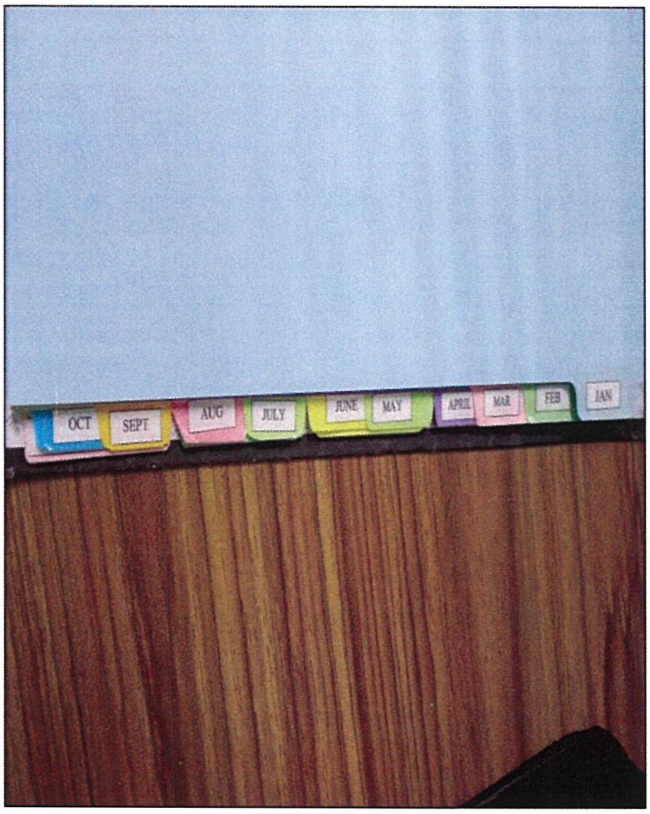
9.0 APPENDICS


ALREADY PAID
ALREADY PAID
PAYMENT
COMPANY SECRETARY
DIRECTOR EXPENSES / CLAIM
OFFICIAL RECEIPT
PETTY CASH SUMMARY (PAKA)
PETTY CASH SUMMARY (IPOH)
TRAVELLING EXPENSES
TAXATION
NOT PAID (1)
NOT PAID (2)
BANK STATEMENT
LEMBAGA HASIL DALAM NEGERI (LHDN)
CASH & OTHERS
CREDITORS
DIRECTOR EXPENSES/CLAIM
OFFICIAL RECEIPT
PAYMENT
PETTY CASH SPECIAL REQUEST
PETTY CASH SUMMARY (IPOH)
PETTY CASH SUMMARY (PAKA)
PAYMENT VOUCHER


OCT
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