

CHAPTER 4: OPERATIONAL PLAN

4.0 OPERATION PLAN

The operation plan is one of the most important factors to consider in a business. Like other companies, our target are to ensure that our products are the best in quality and able to satisfy our customers' need and wants. Hence, a systematic operational plan is formed so that our business runs smoothly and achieves its objectives.

4.1 OBJECTIVES

The objectives of our operational plan are as follows:

- To establish a well-functioning business operation system that ensures the smooth running of all processes, maintaining the quality of our products and services for our customers.
- To optimize customer satisfaction by consistently meeting and exceeding their expectations, delivering high-quality products.
- To achieve consistency and stability in our production and services.
- To ensure the quality of our fragrance products meet the established standards.
- To ensure our business is profitable and successful.

4.2 OPERATIONAL PROCESS

4.2.1 Activity chart

- Before we produce an output either in the form of our products, we will undertake process planning.
- This planning will involve identifying the step-by-step processes from beginning to end to make the product or to provide the services.
- We identify all activities involved in the manufacture and selling of the product.
- These activities will be arranged in the sequence from beginning to end

4.2.2 Process Chart

Table 1: 5 Universally recognize symbol

Symbol	Types of activities	description
	Operation	Activities that modify, transform or give value to the input
	Transportation	Transport activities occurs when materials are transported from one point to another
	Inspection	Activities that measured standard of the in-process
	Delay	Used when in- process material is restrained in a location waiting
	Storage	Used when in-process materials or finished products are stored in the storage area

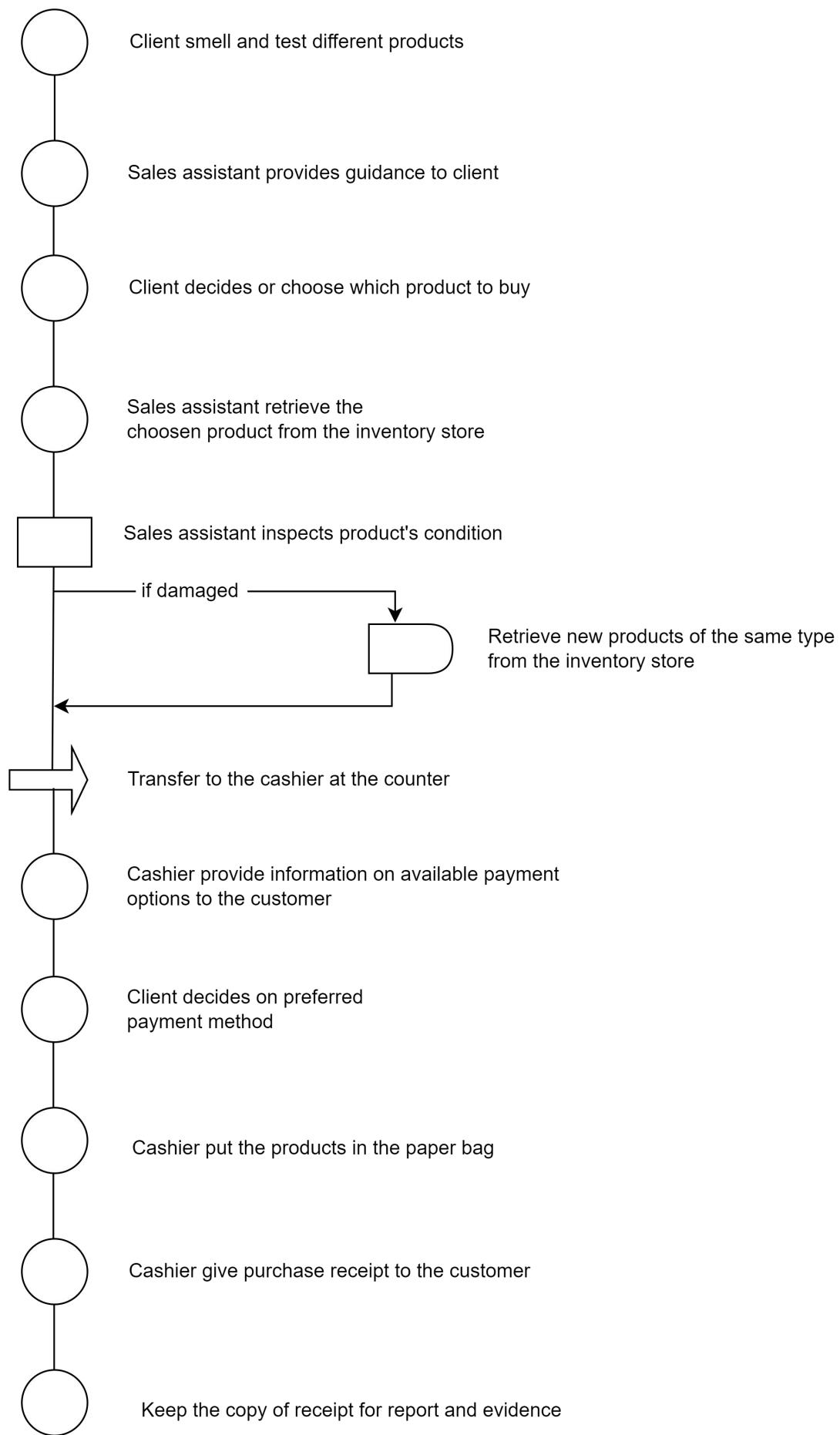


Figure 4.2.2: Activity Chart

4.2.3 Flow Chart

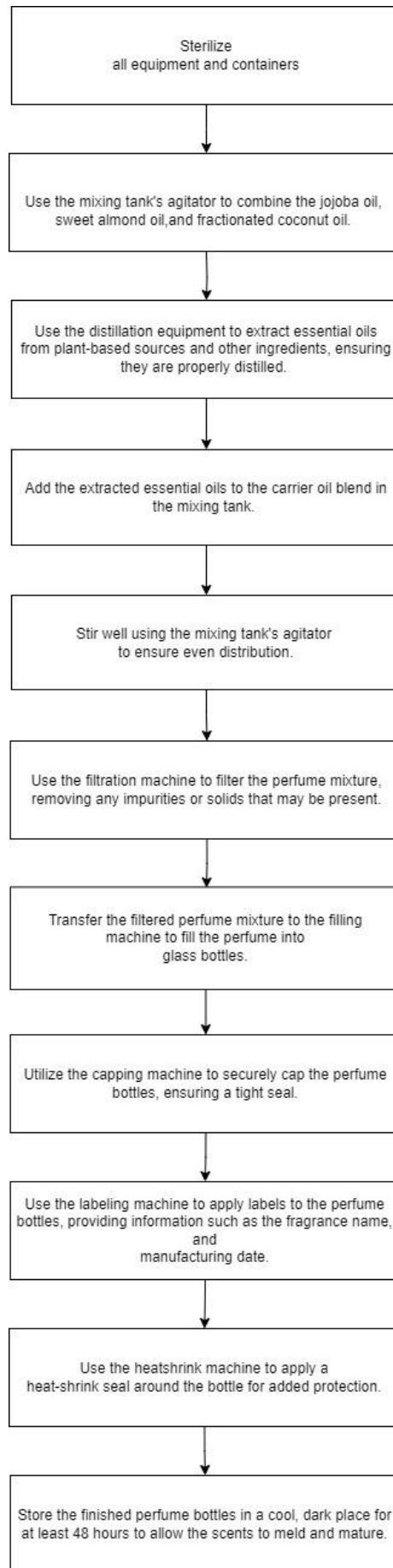


Figure 4.2.3: Flow Chart in Producing Perfumes

4.3 OPERATIONS LAYOUT

Our business layout is based on the process and is designed in such a way that it optimizes workflow and efficiency. By organizing machines, equipment, and facilities according to the specific processes involved in our operations, we can streamline the production, minimize bottlenecks, and enhance productivity.

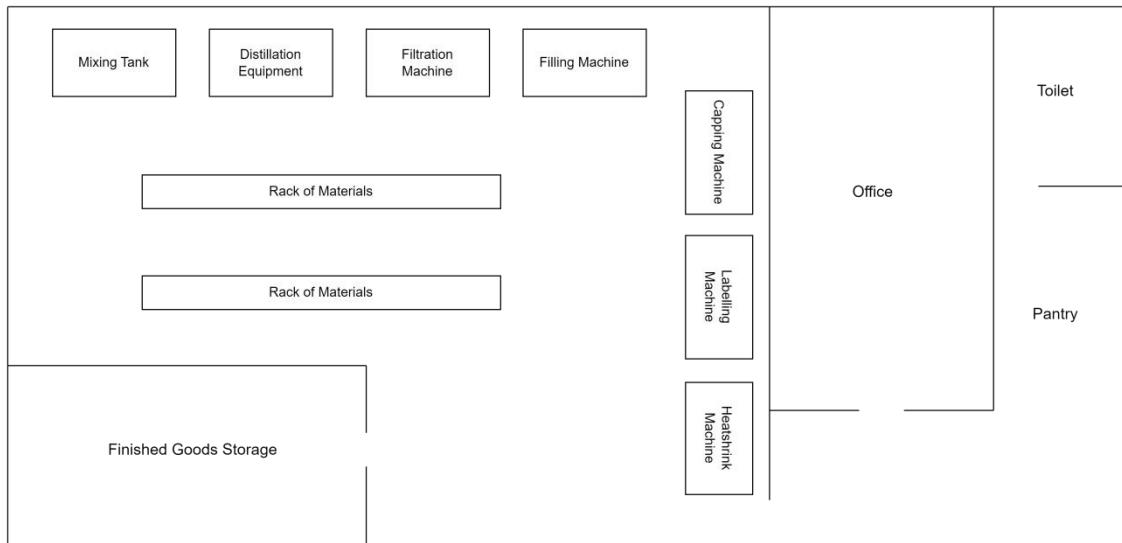


Figure 4.3: Operation Layout Based on Process

4.4 PRODUCTION PLANNING

A production plan describes in detail how a company's products and services will be manufactured. It spells out the production targets, required resources, processes and overall schedule.

4.4.1 Calculation for output per day

Average sales / month	: RM 30,745.00
Price / unit	: RM 25.00
No. of Output / month	: RM 30,745.00 / RM 25.00 = 1,229 units / month
Working days	: 20 days
No. of Output / day	: 1229 units / 20 days : 61.49 <u>= 61 units / day</u>

4.4.2 Position and number of personnel

Table 2: Position and number of personnel

Position	No. of personnel
Production Operator	2
Lab Technicians	1
Packaging And Labeling Personnel	1
Total	4

4.4.3 Schedule of Task and Responsibilities

Table 3: Schedule of Tasks and Responsibilities

Position	Task and Responsibilities
Production Operator	<ul style="list-style-type: none"> • Operating and monitoring production equipment and process • Preparing raw materials for perfume production • Conducting quality control checks • Troubleshooting equipment issues
Production Assistant	<ul style="list-style-type: none"> • Help to operate and monitor production equipment and process • Help to prepare the raw materials for perfume production • Conduct quality control checks • Troubleshoot equipment issues
Lab Technician	<ul style="list-style-type: none"> • Perform tests and analysis on perfumes • Assist in formulation and development • Ensure quality control • Calibrate and maintain lab equipment
Packaging And Labeling Personnel	<ul style="list-style-type: none"> • Prepare and package perfume products • Apply accurate labels and barcodes • Conduct quality control checks • Manage packaging material inventory

4.4.4 Schedule of Remuneration

Table 4: Position and number of personnel

Position	No.	Monthly Salary (Rm)	Epf Contribution (Rm)	Socso Contribution (Rm)	Total (Rm)
Production Operator	1	1,500.00	195.00	27.15	1,722.15
Production Assistant	1	1,500.00	195.00	27.15	1,722.15
Lab Technician	1	1,800.00	234.00	32.35	2,066.35
Packaging And Labeling Personnel	1	1,500.00	195.00	27.15	1,722.15
TOTAL	4	6,300.00	819.00	113.80	7,232.80

4.5 MATERIAL PLANNING

Table 5: List of materials

Materials	Quantity	Safety Stock	Total Material Requirement	Price (Rm)	Total Price (Rm)
Jojoba oil	30kg	3kg	33kg	1.20	39.60
Sweet almond oil	25kg	2.5kg	27.5kg	2.50	68.75
Fractionated coconut oil	40kg	4kg	44kg	1.70	74.80
Distilled water	1000ml	100ml	1100ml	0.10	110.00
Essential oils(plant-based fragrances)	10ml	1ml	11ml	3.00	33.00
Lavender	10ml	1ml	11ml	3.50	38.50
Cyclodextrins	0.150kg	0.005kg	0.155kg	10.50	10.85
Fixatives	0.100kg	0.010kg	0.110kg	11.00	12.10
TOTAL					<u>387.60</u>

4.5.1 FUNCTION OF MATERIAL

Table 6: Function of materials

Materials	Function
Jojoba oil	Stable and long-lasting oil resembling skin sebum, easily absorbed and non-greasy.
Sweet almond oil	Lightweight oil with a mild, nutty scent, suitable for sensitive skin and blending with other fragrances.
Fractionated coconut oil	Odorless and moisturizing oil, providing a smooth texture without greasiness.
Distilled water	Used to dilute and enhance spreadability of perfumes, ensuring even distribution on the skin.
Essential oils(plant-based fragrances)	Concentrated extracts from plants, serving as the fundamental fragrance source.
Lavender	Calming and floral essential oil, providing a soothing and relaxing quality.
Cyclodextrins	Encapsulating agents that stabilize and control the release of fragrance ingredients.
Fixatives	Slow down fragrance evaporation, extending longevity on the skin.

4.6 MACHINE AND EQUIPMENT PLANNING

Table 7: List of machine and equipments

Item	Quantity	Price per unit	Total cost (RM)
Mixing Tanks	1	3,477.80	3,477.80
Distillation Equipment	1	5,565.60	5,565.60
Filtration Machine	1	221.00	221.00
Filling Machine	1	3,711.60	3,711.60
Capping Machine	1	1,349.00	1,349.00
Labeling Machine	1	455.00	455.00
Heatshrink Machine	1	2,035.00	2,035.00
Rack	2	300.00	600.00
		TOTAL	17,415.00

4.6.1 List of Suppliers

Table 8: List of machine and equipments

Lists Of Machine	Function Of Machine	Suppliers	Address
Distillation Equipment	Extracting natural oils from botanical materials	Wenzhou Zheye Machinery Limited Company	China, Zhejiang, Wenzhou, Longwan District.
Filtration Machine	Remove impurities and particles from perfume mixtures, ensuring clarity and purity of the final product	Pall Laboratory Filtration System	Pall Corporation, 126 ,Main Street Cityville,Stateville Countryland
Mixing Tanks	Blending fragrance oils, essential oils, and other ingredients to create the perfume composition.	TopCN Chemical Machinery Co.,LTD	Baiyun, Guangzhou, China, 510405
Filling Machine	Fill perfume bottles with the final fragrance composition accurately	Classicbottles	No: 1F, Jln BS 7/22, Taman Bukit Serdang, 43300 Seri Kembangan, Selangor
Capping Machine	Apply caps or closures to perfume bottles, ensuring proper sealing and packaging	Zonesun	Foshan, Guandong Province
Labelling Machine	Apply labels to perfume bottles, providing information about the brand, fragrance, and other details	Easy Fix (M) Sdn Bhd	No. 13, Jalan Pengawa U1/74, Taman Perindustrian Batu Tiga, Selangor, 40150 Shah Alam
Heatshrink Machine	Shrink the packaging	Molhit Pack Sdn. Bhd	Molhit Pack Sdn. Bhd.

	material tightly around the final product, providing a secure and protective covering.		No 31, Jalan Kajang Perdana 2/3, Taman Kajang Perdana, 43000 Kajang Selangor.
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4.7 BUSINESS AND OPERATION HOUR

4.7.1 Business Hour

Day	Time
Monday - Friday	10.00 a.m – 9.00 p.m
Saturday - Sunday	Close

4.7.2 Operation Hour

Day	Time
Monday - Friday	9.00 a.m – 9.00 p.m
Saturday - Sunday	Close

4.8 LICENSE, PERMITS AND REGULATIONS

Type	Name	Procedure	Purpose
License	Manufacturer's License	Complete the application form and submit it along with the required documentation to the National Pharmaceutical Regulatory Agency (NPRA). The NPRA will evaluate the application, and conduct an inspection if necessary.	Allows a legally manufacture perfumes in Malaysia.
License	Business License	Research the requirements for obtaining a business license from the Companies Commission of Malaysia (SSM), complete the application form, and submit it with the required documentation. Pay the applicable fees and wait for the application to be processed.	Allowing legal operation of your business.
Permit	Halal Certification	Submit an application to the Department of Islamic	Ensure that the ingredients used in

		Development Malaysia (JAKIM). Prepare required documents and provide business registration details, ingredient lists, and manufacturing processes. The certification body will inspect and verify compliance with Halal requirements. Make adjustments if needed and attend mandatory training. Upon approval, JAKIM will issue the Halal Certification.	the perfume formulation and the manufacturing process comply with Halal standards.
Regulation	National Pharmaceutical Regulatory Agency (NPRA)	Submit comprehensive information on formulation, labeling, and safety data. Compliance with NPRA guidelines is essential, including safety standards, proper labeling, and avoiding restricted or prohibited ingredients.	Staying updated with regulatory changes and seeking guidance from the NPRA demonstrates compliance and builds trust with consumers, assuring them of the safety and quality of the perfume.
Regulation	Good Manufacturing Practices (GMP)	Maintain cleanliness, source quality materials, document formulations accurately, and follow standardized production procedures to ensure product quality. Implement quality control measures, including material and product testing.	Ensure the production of high-quality and safe perfumes.

4.9 OPERATIONS OVERHEAD

No.	Overheads	Cost (RM)
1	Repairs and maintenance	350.00
2	Utilities	400.00
3	Insurance	200.00
	TOTAL	950.00

4.10 OPERATION BUDGET

Item	Fixed Assets Expenses (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Machinery and equipment	17,415.00		
Vehicles			
Remuneration		7,232.80	
Raw Materials		387.60	
Utilities		400.00	
Other expenditure:			
Road tax			
Insurance			200.00
Repairs & maintenance			350.00
TOTAL	17,415.00	8,020.40	550.00

4.11 IMPLEMENTATION SCHEDULE

Activities	Deadlines	Duration (Month)
Incorporation of business	Feb 2023	1
Application for permits & license	March - May 2023	3
Searching of premise	June-July 2023	2
Renovation of premise	August 2023	1
Procurement of machine and raw material	August - Oct 2023	3
Recruitment of labors	Oct - Nov 2023	2
Installation of machine	Dec 2023	1