



TUNKU ABDUL RAHMAN UNIVERSITY COLLEGE
FACULTY OF COMPUTING AND INFORMATION
TECHNOLOGY

BBDM1023 Business Organisation & Management

Group Assignment
[REI]

NAME	STUDENT ID	Group Written Assignment (100 marks)	Individual Presentation (100 marks)	Average Marks	Student's Acknowledgement
Benedict Yeo Lip Yi	20WMR00468				<i>Benedict</i>
Chin Qianying	20WMR08903				<i>Qianying</i>
Kok Sue Faye	20WMR08921				<i>faye</i>
Ng Yi Xuan	20WMR08942				<i>Yixuan</i>

NAME OF LECTURER : Ms Swee Ti Eyong

NAME OF TUTOR : Ms Swee Ti Eyong

TUTORIAL GROUP : G3

DATE OF SUBMISSION : 29 August 2021

KOLEJ UNIVERSITI TUNKU ABDUL RAHMAN
Faculty of COMPUTING AND INFORMATION TECHNOLOGY
Plagiarism Declaration Statement

Read, complete and sign this statement to be submitted with your written work

We confirm that the submitted work are all our own work and are in our own words.

Name (Block Capitals)	Student ID No.	Signature
1. Benedict Yeo Lip Yi	20WMR00468	<i>Benedict</i>
2. Chin Qianying	20WMR08903	<i>Qianying</i>
3. Kok Sue Faye	20WMR08921	<i>faye</i>
4. Ng Yi Xuan	20WMR08942	<i>Yixuan</i>

Programme	REI3Y3
Tutorial Group	G3
Date	29 August 2021

FACULTY OF COMPUTING AND INFORMATION TECHNOLOGY
COURSEWORK FEEDBACK FORM FOR WRITTEN REPORT

COURSE CODE/ COURSE TITLE: ABDM3173 MANAGING PEOPLE		
NAME OF STUDENT(s):		ID No:
1) Benedict Yeo Lip Yi		20WMR00468
2) Chin Qianying		20WMR08903
3) Kok Sue Faye		20WMR08921
4) Ng Yi Xuan		20WMR08942
PROGRAMME: REI		
YEAR OF STUDY: Y3 SEMESTER: 1		ACADEMIC YEAR: 2020/2021
GROUP NO: 3		
COURSEWORK NO: 1/2/3	NATURE OF COURSEWORK: (e.g. presentation, Q&A, individual/group assignment etc)	MARKS ALLOCATED: /100

COMMENTS :			
Student's Acknowledgement:	Date:	Lecturer/Tutor's Signature:	Date:

Note: This form must be submitted together with the assessment grid/grading criteria and TURNITIN report for the coursework.

Assessment Criteria for Group Written Assignment

Section	Sub-Section	Allocation of Marks	Marks Awarded	Comments
Section A	Introduction	20		
Section B	Common forms of business	10		
	Ethics and Social Responsibility	20		
	Managers and Managing	20		
	The Manager as a Planner and Strategist	20		
Section C	Conclusion	10		
	TOTAL MARKS	100		
Additional Comments:				

Table of Contents

	Pages
Section A: Introduction to Company Background	7
Competitor analysis	8-9
Section B: i. Common Forms of Business	10
ii. Ethics and Social Responsibility	11
Iii. Managers and Managing	12
Iv. The Manager as a Planner and Strategist	13-14
Section C: Conclusion	15
References	16-17
Appendixes	18

BOM (nestle)

ORIGINALITY REPORT

6%	6%	1%	%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	www.nestle.com.my Internet Source	4%
2	www.nestleusa.com Internet Source	1%
3	www.thestar.com.my Internet Source	1%
4	www.wsj.com Internet Source	<1%

Exclude quotes Off
Exclude bibliography Off

Exclude matches Off

Section A:

Introduction

Nestlé Malaysia Berhad is a subsidiary of Nestlé which was **founded by Henri Nestlé** in Vevey, Switzerland **in 1866**. With successful product innovation, Nestlé has become the **world's biggest food and beverage manufacturer** serving all people. It manufactures various products such as powdered products, frozen foods, breakfast cereals, etc. Nestlé Malaysia Berhad was established in Penang, Malaysia in 1912 and moved their operations to Petaling Jaya in 1939. According to the 2020 financial report, it generated a **total revenue of RM 5,412 million** and **net profit of RM 553 million**. It operates 6 factories and has over 5,000 employees around the country as well as emerging over 500 Halal-certified products.

The **purpose** of Nestlé Malaysia Berhad is to utilise the power of food to benefit and improve the quality of life for present and future generations. The **vision and mission** of Nestlé Malaysia Berhad is 'Nourishing and enhancing the lives of Malaysians for future generations. Since Nestlé Malaysia Berhad did not own a research and development (R&D) center, it has developed breakthroughs to create a centralised R&D centre with its **parent and sister companies** such as Maggi, Nespresso, Nestlé Japan, Libby's, Nestlé Purina Petcare Company and Nestlé Health Science and obtain breakthrough researches and discoveries.

Competitor Analysis

It is full of old school players in the domestic or international Food and Beverage manufacture market, which makes the competition extremely fierce. The biggest competitors of Nestlé will be **Dutch Lady Milk Industries Berhad (DLMI), Hup Seng Industries Berhad (HSIB) and Munchy Food Industries Sendirian Berhad (MFI).**

DLMI has always been the first choice for consumers to purchase dairy products such as fresh milk. DLMI's **strength is milk production technology** has strict regulations on food safety to ensure the quality of milk is **always fresh and guaranteed**. In addition, A **team of nutritionists** who are willing to answer consumers' queries about nutrition of DLMI to create confidence and trust for consumers. **Weakness** of DLMI is specific during the **raw material production** due to no large-scale concentration and the high incidence of disease occurring for their livestock - cows. As the raw material production is not stable, **quality is also difficult to maintain**. The packaging of fresh milk is not prominent and diversified to attract consumers such as the packaging design is not natural and lively, to attract more children.

HSIB is also recognized at the national level, Malaysians know that the famous product is **Ping Pong Cream Crackers**. It owned premises to run business therefore allowed it to save renting cost. One of the **strengths** from HSIB is factories located in Balakong, Selangor near to the supermarket and retail shop which provide **faster delivery speed and higher convenience** to the market. HSIB's critical weakness is **lack of new product development** which leads to lack of new exploration in the consumer's market. Such as, the packaging design has remained unchanged and the only famous product is cream crackers and although HSIB has a variety of products such as coconut cookies and marie biscuits but obviously it's not adapted to the flavour of consumers.

MFI is famous for its various munches such as **Lexus Biscuits and Muzic Wafers**. Strength of Munchy's biscuits are **manufactured locally**, allowing them to **save cost** and become the top biscuit brand in Malaysia in 2008. MFI focuses on continuous development of new packaging designs and brand image in order to make their product more innovative. As more focusing on the packaging design, the **weakness** of MFI did not produce various products

and flavor. In addition, some of the products are quite sweet which is not suitable for those who have diabetes and narrow the consumers range.

Section B:

i) Common Forms of Business

Nestlé Malaysia Berhad is a **public corporation** where its stock is available for sale to the general public in Bursa Malaysia in the year 1989. There are many **shareholders** of Nestlé Malaysia Berhad such as Nestlé SA, Public Mutual Bhd., Kumpulan Wang Persaraan, Great Eastern Life Assurance Co Ltd, including our Employee Provident Fund as well which holds 9.24%, placing at the second place. Among them, Nestlé SA accounts for the largest proportion, holding 72.6% share of the company, far exceeding the others.

Nestlé Malaysia Bhd and its Board of Directors are striving towards the principle of **responsible business conduct**, by **formalizing the code of conduct** to implement an ethical standard in the group including communications and feedback. Besides that, they also practice the **balance of power** between the chairman, board members, and also the shareholders. Furthermore, they do practice the **transparency** between the group and the shareholders whereby they will announce their long term strategic planning, succession planning, operation management and also they're financial towards their shareholders and stakeholders.

In addition, the collaboration between Nestlé with the **local authorities, stakeholders and business partners during the pandemic** will be the model of the other enterprise. Besides **giving the dividend** of RM0.92 per share during the movement control order at the latest fiscal year, Nestlé also organized the **reward programme** which encourages the people to register for vaccination and it's giving strong confidence to the market to **achieve the higher vaccination rate** in the community.

ii) Ethics and Social Responsibility

Nestlé has fulfilled its **Proactive Approach** to social responsibility in this matter due to actively participating in socially responsible behaviors, using their efforts and resources to support the requirements of different stakeholders to promote the interests of all stakeholders. Nestlé continued to engage on environmental, social and governance issues which are material to the business and impactful on society before and during the pandemic era as below:

1. Nestlé participated in the **climate action** which perhaps to get net zero greenhouse gas emission in the supply chain by 2050. Nestlé uses **sustainable packaging** which is earth-friendly and reduces garbage problems. They have set clear commitments to use sustainably managed and renewable resources, operate more efficiently, achieve **zero waste** for disposal and improve water management.
2. Nestlé also has the aim of being a **Gender Balance company**. Gender Balance has been a priority in Nestlé since 2008. As of 2018, 43% of **managerial positions** are held by women and **set up more facilities and policies** for new mothers to best support their work-life balance such as nursing rooms in the office to encourage breastfeeding and male primary caregivers with a child less than a year old. Nestlé had successfully closed the **Gender Equal Pay Gap**, all the payroll based on the experiences and performance.
3. Nestlé **provides Relief to over 20,000 Households in Klang Valley during the pandemic**. Nestlé Malaysia continues to provide relief to struggling families and individuals to support Malaysians throughout the pandemic. The Company has recently joined forces with nine local non-governmental organisations (NGOs) to channel food donations.
4. Nestlé **provides meals to frontliners** at IDCC, encouraging all Malaysians to get vaccinated while getting the “goodness pack” during the pandemic. Nestlé is sponsoring the food and beverages for the 250 front liners deployed at this vaccination centre. Additionally, and for the first vaccination phase from May 24 to June 6, 2021, all Malaysians vaccinated at IDCC have received a “goodness pack” from Nestlé as a way of saying thank you to all those that are setting an example for everybody else to follow suit.

iii) Managers and Managing

Top managers such as the CEO are responsible for formulating strategies and become stewards of its vision and mission as well as meeting all requirements. **Juan Aranols** is Chief Executive Officer and Executive Director of Nestlé Malaysia Bhd since 1 December 2018. He joined Nestle in 1990 and with 30 years experience with the company, he held important responsibilities across Europe, Latin America. Due to Covid-19 pandemic, the CEO encouraged employees to undergo swab tests every week in order to detect positive cases early.

Nestlé's managers have a culture of cultivating employees to manage and lead their business with outstanding quality and interchanging ideas with others. They establish **interpersonal roles** with others such as figurehead, leader and liaison. They always remember the mission and vision of the company and strive for further improvement. With good leadership and liaison skills, they are able to maintain good relationships within or outside the company. In addition, they also applied **conceptual skills** and **human skills** in managing the business. They analyse the cause for the spread of Covid-19 and take appropriate action. They accomplish the strategic plan by communicating or convincing effectively with others.

Middle managers include team managers and general managers. Khairul Abdul Kadir as the Business Development Manager at Nestlé. They are essential for organizing, leading and coordinating employees. In order to prevent the Covid-19 cases within the organization, the middle **managers encourage** the employees of Nestlé Malaysia **not to travel for business purposes** and shift to **work from home** whenever possible.

The **lower managers** such as **supervisors, section leads** will supervise and **provide training** to the employees on the daily activities to ensure the operations flows seamlessly. For example, low-level managers need to ensure that the right amount of product is manufactured in a timely manner with sufficient paperwork. Lower-level managers need to make sure the additional **safety measures according to the government SOP** in factories are abided by the employees in order to minimise the spread of Covid-19.

iv) The Manager as Planner and Strategist

The Manager as a planner and strategist for Nestlé Malaysia Bhd expects that the Covid-19 pandemic will have a significant impact on the market in the first half of 2021, hence **there are three key priorities for the planning in pandemic era:**

1. Reaching new heights in the journey of sustainable development.

Due to Covid-19, Nestlé's net profit for the year ended December 31, 2020 decreased by 17.86% as compared to previous year. In addition, **it plans to allocate significant new investments to expand and upgrade its manufacturing facilities**, Nestlé invests in new categories that are in line with consumer trends, such as the establishment of plant-based dietary solutions facilities in Malaysia. Nestlé remains focused on driving its business with long-term goals.

2. Ensuring business continuity to meet consumer needs

Due to the MCO period, this has a significant impact on Nestlé's business. They are **constantly evolving in accordance with consumer trends to adapt to the new normal**. For example, Nestlé Malaysia and Starbucks have jointly launched the "at home" range to make it easier for consumers to obtain Starbucks drinks through e-commerce and home delivery. There are 11 different coffee variants being sold "at-home" range, and Nestlé will sell it on e-commerce platforms, offline retailers and supermarkets. Therefore, it provides safe, high-quality nutritional products that meet all customer tastes and other expectations.

3. Supporting disadvantaged communities through different programs

The pandemic imposed a devastating effect on employment and has further exacerbated the global unemployment problem. For severely affected business partners, timely and pragmatic assistance will be provided to tide over the crisis and help them restart their business. For example, **according to the "Always open for You" initiative**, the payment period will be extended and coffee machine rental fees will be suspended. In addition, another plan will focus on **improving the quality of life of farmers in rural areas through the Farmer Connection**

Program. Total 100 coffee farmers in Kedah will be provided help to improve their livelihoods through this program.

Section C:

Conclusion

In short, Nestle Malaysia Bhd proves their company's sustainability and capabilities in the market yet the contribution of their company ethics and social responsibilities of the enterprise. From the overview, we can see the importance of business management in terms of strategy planning, management reaction and ethics and social responsibilities during unexpected circumstances.

As of today, the ending of the COVID-19 pandemic still remains unknown and uncertain which is decreasing the market and public confidence level no matter if investing or expansion of enterprise and business no matter if it is under planning phases or developing. However, the evidence of recession of the global economy and the economic adversities has occurred. It would be wise and good to replan the company structure as a long-term implementation and strategies rather than short-term.

References

1. Nestle.com, About Nestle Malaysia, available at <<https://www.nestle.com.my/aboutus>> viewed on 4 August 2021.
2. Nestle.com, Nestle in Malaysia, available at <<https://www.nestle.com.my/aboutus/nestle-my>> viewed on 4 August 2021.
3. Nestle.com, Annual Report, available at <https://www.nestle.com.my/investors/annual_report> viewed on 4 August 2021.
4. Scribd.com, Introduction: Nestle, available at <<https://www.scribd.com/doc/21544545/Introduction-Nestle-Was-Founded-in-1866-by-Henri-Nestle-And>> viewed on 4 August 2021.
5. Nestle-esar.com, Mission & Vision | Nestle, available at <<https://www.nestle-esar.com/aboutus/missionvision>> viewed on 4 August 2021.
6. Nestle Malaysia, Nestlé Malaysia Supports COVID-19 Vaccination Drive, available at <<https://www.nestle.com.my/media/pressreleases/nestlecaresidcc>> viewed on 5 August 2021
7. Nestle Global, sustainability, available at <<https://www.nestleusa.com/sustainability>> viewed on 5 August 2021
8. Nestle Malaysia, For the planet, available at<<https://www.nestle.com.my/impact-areas/planet>> viewed on 5 August 2021
9. Mida.gov, 29 Mar 2021, Nestle remains focused on driving business to meet long-term goals, available at <<https://www.mida.gov.my/mida-news/nestle-remains-focused-on-driving-business-to-meet-long-term-goals/>> viewed on 7 August 2021.
10. TheStar, 27 Jul 2021, 20,000 to benefit from food aid, available at <<https://www.thestar.com.my/metro/metro-news/2021/07/27/20000-to-benefit-from-food-aid>>, viewed on 7 August 2021
11. New Straits Times , 22 Feb 2021, Nestle Malaysia plans big new investments in 2021, available at <<https://www.nst.com.my/business/2021/02/668262/nestle-malaysia-plans-big-new-investments-2021>> viewed on 7 August 2021.

12. WSJ Market, Nestle (Malaysia) Bhd 4707 (Malaysia), available at <https://www.wsj.com/market-data/quotes/MY/XKLS/4707/company-people/executive-profile/176551286> viewed on 8 August 2021
13. Foodnavigator-asia, 11 Jun 2020, Nestle Malaysia confident in post-COVID-19 recovery amid e-commerce push, available at https://www.foodnavigator-asia.com/Article/2020/06/10/Bouncing-back-Nestle-Malaysia-a-confident-in-post-COVID-19-recovery-amid-e-commerce-push?utm_source=copyright&utm_medium=OnSite&utm_campaign=copyright > viewed on 12 August 2021.
14. Nestle.com, THE NESTLÉ IN SOCIETY REPORT 2020, available at <https://www.nestle.com.my/sites/g/files/pydnoa251/files/2021-03/NIS-Nestle-AR20.pdf> > viewed on 12 August 2021.
15. Hsib.com, Home | Hup Seng Industries Berhad, available at <https://www.hsib.com.my/> > viewed on 23 August 2021
16. Paperap.com, Hup Seng Company Case Analysis Paper, available at <https://paperap.com/hup-seng-company-case-analysis/> > viewed on 23 August 2021.
17. Dutchlady.com, Dutch Lady Products, available at <https://www.dutchlady.com.my/products/> > viewed on 24 August 2021.
18. Studymoose.com, Swot Analysis of Dutch Lady Essay, available at <https://studymoose.com/swot-analysis-of-dutch-lady-essay> > viewed on 24 August 2021.
19. Phdessay.com, Strength and Weaknesses of Dutch Lady Malaysia, available at <https://phdessay.com/strength-and-weaknesses-of-dutch-lady-malaysia/> > viewed on 24 August 2021.
20. Studymoose.com, Brand Munchy - product Food Essay, available at <https://studymoose.com/brand-munchy-product-foods-essay> > viewed on 28 August 2021.

Appendixes

Shareholders		
Name	Equities	%
Nestlé S.A.	170,276,563	72.6%
Employees Provident Fund	21,663,200	9.24%
Public Mutual Bhd.	2,848,000	1.21%
Kumpulan Wang Persaraan	2,659,750	1.13%
Great Eastern Life Assurance Co. Ltd.	2,322,010	0.99%
The Vanguard Group, Inc.	1,897,114	0.81%
Social Security Organisation	912,300	0.39%
Eastspring Investments (Singapore) Ltd.	738,400	0.31%
BlackRock Advisors (UK) Ltd.	601,800	0.26%
Norges Bank Investment Management	585,000	0.25%

Appendix 1



Appendix 2

<https://www.Nestlé.com.my/impact-areas/our-response-covid-19>