

KISHORI THAKUR FURNITURES & CIVIL CONTRACTOR

SUMMER INTERNSHIP REPORT



Submitted By:

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2155

Under the Supervision of

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2021-2022

DECLARATION

I, the student of M.B.A. Part I of Goa Business School, Goa University, hereby declare that the internship report entitled “Kishori Thakur Furniturs & civil contractor” has been prepared by me towards partial fulfillment of the degree of Master of Business Administration under the guidance of my faculty guide Dr. Suraj Velip. This project is neither in full nor in part has previously formed the basis for the award of any other degree of either this University or any other University.

Date: 8th July 2022

Place: Goa University

Name: Sainath Rana

Roll No.:2155

**KISHORI THAKUR FURNITURE
& CIVIL CONTACTOR.**

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Date:- 08/07/2022

TO WHOMSOEVER IT MAY CONCERN

This is to Certify that Mr. Sainath Rana, of First year MBA, Student of Goa Buisness School, Goa University has Successfully completed his Internship Program at Kishori R. Thakur Furniture & Civil Contractor from 19th May to 8th July 2022.

During The Internship Mr. Sainath Rana, has worked as Customer Sales Representative and has completed 51 days of Internship Programme.

We found him to be very Hard Working and Committed towards carrying out the Responsibilities Assigned. His Performance was Excellent, with Good Behaviour and Punctuality to Report for work on time.

We wish him all the best for his Future Endeavours.

Kishori Thakur

KISHORI R. THAKUR

K. Thakur

PROPRIETOR

Kishori Thakur Furniture & Civil Contractor.

ACKNOWLEDGEMENT

I sincerely like to thank Mr. Kishori Thakur and Mr. Vivek Thakur for guiding me throughout my internship. I am also grateful to all the employees of Kishori furniture who assisted me with the Concluding Report.

My special thanks to my mentor Dr. Suraj Velip and all faculty members for helping me with the internship, It is a great honor for me to be working under his guidance.

Sincerely,
Sainath Rana.

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EXECUTIVE SUMMARY

The report is based on the summer internship project which is the study conducted on Kishori furniture in the period from 19th May to 8th July.

Kishori Furniture is in the activity of manufacturing and designing furniture products like pedestals, executive offices, chairs, tables, modular workstations, modular kitchens, etc. with the manufacturing process involving the selection of material, design, and finished goods with deliveries and installation at competitive prices to serve corporate. They all are equipped to meet the requirements of homes with home furniture.

Joining Kishori Furniture was a great experience doing my internship. It always intrigued me to learn about the furniture business. Being a small-scale industry, I had an opportunity to know the depth of the department's functions and how this industry has survived the market.

COMPANY PROFILE

Kishori Thakur Furniture & Civil Contractor is a Goa-based residential and commercial modular furniture manufacturing and service-providing company established in the year 2015. Founded by Mr. Kishori Thakur. Kishori Thakur Furniture & Civil Contractor furniture system can provide products with quality and are precise and innovative.

Kishori Furniture is in the activity of manufacturing and designing furniture products like pedestals, executive offices, chairs, tables, modular workstations, modular kitchens, etc. they also provide services like printing, flooring, and painting. with the manufacturing process involving the selection of material, design, and finished goods with deliveries and installation at competitive prices to serve corporate. They all are equipped to meet the requirements of homes with home furniture.

The following machines are used:

- Wood cutting machine.
- Multi boring machine.
- Post form machine.
- Laminate compression machine.

Mission

- To enable the clients to optimize the value and return on their property assets through the delivery of sustainable commercial interiors.
- Everyone we meet should be inspired.

Vision

- To build trust and sustainability for our customers, suppliers, and employees.

Products:

Chairs



Tables



Modular office furniture



Modular kitchen



Almirah



INDUSTRY ANALYSIS

Porter's 5 forces:

Rivalry (high)

Rivalry in the furniture industry is quite high, several huge companies provide similar products in the state like e.g. IKEA. Although they don't have a branch in Goa people will still prefer IKA and some small local producers as well.

Bargaining power of suppliers (low)

The power of suppliers is very low because there is a wide range of providers of raw materials. It should also be mentioned that not only wood can be used for production but other materials as well, like pressed, plastic or metal, and wood dust.

Bargaining power of the buyer (high)

Buyers are demanding a lot. They want to buy the best offering by paying the minimum price. This put pressure on Kishori Furniture in profitability in long run. The smaller and more powerful the customer base is of the company the higher the bargaining power of the customers.

Threats of new entrants (high)

New entrants in furniture making business put pressure on Kishori Furniture, through a lower pricing strategy, and providing new value to the customer, Kishori Furniture has to manage all the challenges and have strong barriers to safeguard its competitive edge.

Substitute (low)

Threats of substitutes in the furniture industry are weak. Because the substitute that already exists in the market is quite expensive. So, the switching cost of the buyer to switch is high because of the price.

Pestel analysis:

Political factors

Political factors can play a significant role in determining the factors that can impact Kishori furniture. If Kishori Furniture expands to a foreign country the following can be a risk to the business.

- Risk of military invasion.
- Property protection.
- Pricing regulation.
- Taxation.
- Wage legislation.
- Mandatory employee benefits.
- Product labelling and other requirements in the home furniture.

Economic factors

Kishori Furniture use countries' economic growth rate. For now, the business does not export goods outside the country. But if in the near future they plan to do they have to consider these steps.

- Exchange rates & stability of the country's currency.
- Education level in the economy.
- Labour cost and productivity in the company.
- Economic growth rate.

- Inflation rate.

Social factors

Society culture and doing things impact the culture of an organisation in an environment. Shared beliefs and attitudes of the customers play a great role in how Kishori Furniture will understand them in a market and how to design the marketing message for home furniture consumers.

- Class structure and power structure of the society.
- Entrepreneurial spirit. Some societies encourage entrepreneurship while some don't.

Technological factors

A firm should not only do technological analysis of the industry but also the speed at which technology disrupts that industry. Slow speed will give more time while fast speed of technology will give the firm little time to cope and be profitable. Which will impact the cost structure of the company, and technology can impact product offerings as well.

Environmental factors

Different markets have a standard of environmental factors which can impact the profitability of an organisation. Before entering a new market, the firm should carefully evaluate the environmental standards that are required to operate in the market Like,

- Weather.
- climate change.
- Recycling.
- waste management.
- endangered species, and also have an attitude towards and support for renewable energy.

Legal factors

In some countries, the legal institutions are not enough to protect the property rights of an organisation. Kishori Thakur Furniture & Civil Contractor co should be careful while entering such markets it can also lead to the theft of organisation secrets. Some of the legal factors that Kishori Furniture should consider before entering a new market are,

- Anti-trust law in the home furniture industry and overall, in the country.
- Discrimination law.
- Consumer protection.
- Employment law.

COMPANY ANALYSIS

Swot analysis:

Strengths

- Reliable suppliers have a strong base of suppliers of raw materials.
- High level of customer satisfaction.
- Successful track record for developing new products.
- Highly successful as go-to-market strategies for its product.

Weakness

- Limited success outside the core business.
- There are gaps in the product range sold by the company.
- The marketing of the products needs to be desired.
- There are minimal connections with other industries.
- Absence of advanced technology in this firm.

Opportunities

- New customers from the online channel.
- The new technology provides an opportunity for Kishori Furniture to practice a differentiated pricing strategy.
- Kishori Furniture is planning to work with a high valued company

Threats

- New technologies developed by the competition.
- Growing strength of the local distributors.
- Changing consumers buying behaviors from the online channel would be a threat.

Vrio analysis:

Valuable

According to the VRIO analysis of Kishori Furniture employees are valuable resources to the firm, a significant portion of the workers are highly trained which leads to more productive output for the organization, and the employees are also loyal and hard working.

Its cost structure is not a valuable resource, this is because the method of production leads to a greater cost than the competition, which affects the overall profit for the organization, therefore its cost structure is something they should work on.

Rare

Kishori Furniture products are found to be not rare. The products are easily provided in the market by other competitors. This means the competitors can use these resources in the same way as Kishory Furniture and inhibit competitive advantages. As this resource is valuable, Thakur furniture can still make use of this resource.

The employees of Kishori Furniture are a rare resource. These employees are highly trained and skilled, which is not the case with employees in other firms. The better compensation and work environment ensure that these employees do not leave and go to another firm.

Imitable

The financial resources of Kishori Furniture are costly to imitate, these resources have been gaining profits over the years, and new entrants would require similar profits for a period to accumulate these amounts of financial resources.

The employees of Kshori Furniture are also not costly to imitate by other firms because other firms can also train their employees to improve their skills, the other firms can also hire employees from Kishori Furniture by offering better compensation packages, work environment,

growth opportunities, etc, this makes the employees of Kishori Furniture a resource that provides a temporary competitive advantage. In the future, competitors can acquire this.

Organisation

The financial resources of Kishori Furniture are organized to capture value. These resources are used strategically to invest in the right places; making use of opportunities and threats. Therefore, these resources prove to be a source of sustained competitive advantage for Kishori Furniture.

The distribution network is organized. Kishori Furniture uses this network to reach out to its customers by ensuring that products are available at all times, Therefore, these resources prove to be a source of sustained competitive advantage for Kishori Furniture.

DEPARTMENT ANALYSIS

Kishori furnitures manufacturing activities are separated into two main categories the production department and the service department.

1. Production department

Lumberyard and dry kilns

Here storage of lumber is used as a raw material. Lumber has to dry before it can be used in the furniture, they use lumberyard also for air drying the lumber. Air drying is the primary purpose of yards. Limited people are working in the yard, it is a convenient place to dry kiln operation under the yard foremen and this is the most common practice.

Veneer and plywood department

Here veneers are cut to size, spliced or taped together, and pressed to form plywood they also use lumber panels for the interior layers, for the outside layer various plastic are used which they call face veneers.

Finish machine room

The finish machine rooms use rectangular panels and strips produced by the end and panels from the plywood department. These products are machined to the dimension of the specified furniture part. These require moulding and planning to accurate thickness, moulding to accurate width, and cutting to exact length. Sometimes a part will be machined in two operations and sometimes even ten operations depending on the furniture quality requirements.

Sanding department

Sanding is used to equalize the thickness of a panel or to cut some different dimensions. The main purpose of sanding is to prepare the wood surface for the finishing touch. It is carried out in the cabinet room.

Part storage and cabinet room

This area is used to accumulate parts that have been sanded and machined which are ready for assembling parts. Part produced by the finish machine room and sanding department are screwed, glued and bolted, nailed, and stapled together to make the furniture, the cabinet room is where they start to recognize the product. These parts are all completed on the very same day, often in the same hour. In the cabinet room, it may take only one hour for each case to be built, but it may take five days for a series of one thousand cases to be completed. So here is where the final product gets done.

Rubbing and trimming

Kishori furniture focuses more on the rubbing of the furniture as it will give the surface a nice silk-like appearance, and the finishing material is applied by spray gun, and also apply lacquers for the final touch.

Fabric storage and cutting

For upholstered furniture, leather fabric and plastic are used. These materials are purchased in rolls and stored. Fabrics are rolled out and cut into required shapes and sizes. The sewing is done in one type of item at once, it is used for boxing cushions, quilling, and zippers.

Transportation

The finished product is despatched to the customer's address. They use company vehical and customer vehicles as well. A bill and e-way bill are generated for interstate if the value of the furniture is above 50000/-

2. Service department

Production control

Production control involves scheduling forecasting and expediting to produce a sensible schedule. A production run is a list of items to be produced, this list is then exploded to come up with the quantities and due date for all the parts.

Purchasing

Purchasing agent deals with an outsider who tries to sell more at higher prices as we know it takes talent to deal with suppliers. The owner himself deals with the purchasing. The purchasing department must do what is required by production control.

Design

Several furniture designs are required each year. Many companies hire outsiders to do this work but here at Kishori Furnitures, they design themselves, each time the designer is guided by the sales department to create a piece of furniture that will sell and guided along by the production staff to make something out of it in reasonable cost.

Customer service representative

Here the person handles the customer's inquiries regarding sales. Billing and delivery, call customers and schedules deliveries, process sale orders, also assist customers with the credit

application process and financing arrangements as required. He also takes care of the payroll, and looks after the wellbeing of the employees.

Maintenance

Maintenance of the machines has to be maintained by lubricating, bolts, replacing bearing and other parts and also sharpening tools all the machines are checked daily and also the generators are monitored with all the storage of the raw material is checked as well.

Accounting

Here the accountant creates, reconcile transactions, verify and match payable and purchase invoices, he also processes payrolls for 24 employees, prepares other various workable budget and reports, and also maintains and manage the inventory system.

LEARNINGS

Joining Kishori Furniture manufacturers was a great experience, as being a small-scale industry, I had an opportunity to know the depth of how this industry has survived the market. During the Internship Programme, I have learned the importance of consumers towards a particular business, and how a business lifecycle works from Production to Consumption. Below are a few more learning that I have gained from this Company: -

- Importance of Employees in an Organization.
- How to handle queries and complaints if any in a professional manner.
- Getting to know various types of Raw Materials used in the production.
- Learning the importance of Location Strategy.
- Learning the marketing strategy.
- Learned the process of leave Management.
- In terms of production, getting to understand how different machine operates and the sequence.
- Had a chance to glance at the Accounts/Finance Department and see the Bookkeeping of Kishori Furnitures.

Task performed

- Ensuring all the customer requests are taken with equal priority.
- Having timely discussions with Employees and Employer on various subjects.
- Deciding on various aspects such as choosing of best vendors for Raw Material supply, Transportation, Distribution, etc.
- Had to make the Payroll of Employees using available company data.
- Handling distribution process with vendors such as Amazon, Indiamart, etc.
- Attending Various Customer calls and redirecting to required departments.
- Handled the steps of sales return and purchase return process.

- I had to make sure that the availability of raw materials is up to date with the inventory check.

Kishori Furniture also participated in the furniture fest in Uttar Pradesh in June, it was a good opportunity for the company to market their product out of state and have a wider range.

As I interned, I researched the marketing mix of the industry. So that I can understand the behaviour of this functioning.

Learning of 4 P's

Product: Kishori Furniture has a wide variety of products. It offers monoblock chairs, racks, desks, tables, planters, baby chairs, and some high-quality almirahs for commercial and home. The company has a wide degree of differentiation. As there are a total of 30 chair designs available. Hence customers have a wide variety to choose from.

Place: Kishori Furniture is a manufacturer. They will now also venture into the retail furnishing sector with the opening of the store in Bangalore and Goa. Kishori Furniture first established its market in the eastern part of the country that is Bihar, there it was able to establish a great demand for its brand. They also plan to expand the market in the future to reach out to even more cities.

Price: The company faces competition from organized players and unorganized players. At the retail level, the price of the furniture made by the unorganized segment is lower by 10-15 percent compared to Kshori Furniture. The price of key raw materials polypropylene and polyethylene determine the company's profitability. It is governed by international price trends and is a factor of crude price movement. This demand comes from low-income households and the middle class is generally sensitive to the price. Considering the steady increase in the profit levels and brand quality. Kishori Furniture enjoys having stable demand in this sector even if the price is quite high.

Promotion: Kishori Furniture has full plans for expansion for its department. They are planning to make plastic furniture; they can then plan to get business-to-business deals in this sector. As we know offices, educational institutions, committees, and other organizations have

large requirements for plastic chairs, the institutional market. Schools, colleges hotels, and hospitals can be a major for plastic furniture.

The company asked me to give recommendations for future marketing strategies in order to be a dominant player in the furniture industry. Here is what I came up with.

1. To target kid's furniture.

As we know that social media is the biggest platform, even kids today are brand conscious. All the other major brands are launching products that are mainly targeted at kids. So special kids' products and a retail store would be needed. They should advertise the product as being designed with respect to safety by avoiding any sharp edges as safety is the first priority when it comes to a kid's product. The furniture can be customized to suit the kid's taste. For e.g. With cartoon-shaped designs, paints, and stickers, kids love this type of appeal.

2. Resale market.

As I'm talking about plastic furniture, the reason why customers don't prefer plastic furniture is that it is hard to dispose off. To counter this,

- they can open a website or a retail store
- where the sale of plastic furniture is high this would let the customers who want to sell off their used plastic as well as the customer who would like to buy used plastic.
- The company can gain a fixed percentage charge over the price.
- It is a win-win situation for Kishori Furniture as well as the consumers.

REFRENCE

https://www.researchgate.net/publication/359615814_Case_Study_of_Furniture_Manufacturing_Companies_