CHAPTER V
MANAGEMENT OF COMPANY

5.1. FORM OF COMPANY

Plant Butyl oleate to be established, it is planned to have:

- Form: Limited Liability Company (PT)
- Industrial: Industrial Butyl oleate
- Company Location: Gresik, East Java

The reason for choosing this form of company is based on several factors, as follows:

1. Easy to get capital, i.e., by selling shares.
2. The responsibility of shareholders is limited, so that the smooth production is only held by the head of the company.
3. The owners and administrators of the company apart from one another, the owner of the company is the shareholders and board of directors of the company and its staff are supervised by the board of commissioner.
4. Continuity Company more secure, because it does not affect the cessation of shareholders, directors or employees of the company and its staff.
5. The efficiency of management

   The shareholders can choose people who are experts on the trustee board and the managing director are quite capable and experienced.
6. Industrial wider

   A Limited Liability Company can attract huge capital from the public, so that with this capital PT can expand its business.

5.2. ORGANIZATIONAL STRUCTURE

One of the factors that support the advancement of the company is located and organizational structure used by the company. To get the best system, it is worth noting some of the guidelines include:

- Formulation of companies with clear objectives
Delegation of authority
a clear division of labor tasks
Unity of command and responsibility
System controller for the work that has been carried out
Organization of a flexible enterprise

With reference to the guidelines, obtained good organizational structure, namely System Line and Staff. In this system of power lines is more simple and practical. Similarly, the goodness in the division of labor as contained in the system, functional organization, so that an employee will only be responsible for only one reason, to achieve a smooth production. Whereas it is necessary to set up an expert staff that consists of those skilled in the art. Expert staff will provide ideas and advice to help supervisory level in order to achieve company goals.

There are two groups of people who are influential in running the line and staff organization, namely:

1. As the line or lines that people who carry out basic tasks the organization in order to achieve the goal.

2. As a staff that is, people who perform tasks according to their expertise in this case serves to give advice to the operational units.

Shareholders as owners of the company in the execution of their daily tasks represented by the Board of Commissioners, while the task of running the company held by the Managing Director is assisted by a Technical Director, Finance Director and General. Technical Director in charge of Engineering, R & D and Production Division, while the Director of Finance and the General in charge of Finance, Public Affairs and Marketing. The directors of several other heads of sections that will be responsible in charge of the interior of the company, as part of the delegation of authority and responsibility. Each section chief in charge of several sections and each section will be in charge of several employees of the company in the respective fields. Employees of the company will be divided into several groups of teams that each team leader will be responsible to the supervisor of each section.
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5.3. DUTIES AND AUTHORITY

5.3.1. Shareholders

Shareholders are some people who raise capital for the benefit of the establishment and functioning of the company's operations. The highest authority in the company that has the shape of PT (Company Limited) is the General Meeting of Shareholders (AGM). At the AGM, the shareholders authorized:

- Appoint and dismiss the Board of Commissioners
- Appoint and dismiss the Director
- To approve the results of their operations and the calculation of profit and loss account of the company's annual.

5.3.2. Board of Commissioners

BOC is executing daily tasks of shareholders, so that the Board of Commissioners shall be responsible to shareholders. The duties of the board of commissioners include:

- Assess and approve the directors of public policy, larger companies, the allocation of financial resources and marketing guidance.
- Supervise the duties of directors
- Assisting the directors in the important tasks.

5.3.3. Board of Directors

Director of the top leaders in the company and solely responsible for the reciprocation of the company. Managing Director responsible for the Board of Commissioners for their actions and wisdom taken as head of the company. Managing Director in charge of Production Director and Director of Finance and the Public.

- Implement policies and accountable work to shareholders at the end of his term.
- Maintaining the stability of the company's organization and make a good continuity of relationships between shareholders, managers, consumers
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and employees..
- To appoint and dismiss the head of the approval of the shareholders meeting.
- To coordinate cooperation with the Director of Production and Financial Director and General.

Production Director tasks:
• Responsible to the Director of the areas of production, engineering and marketing fields.
• Coordinate, organize and supervise the execution of the work heads into a subordinate part.

Director of Finance and Public Duties
• Responsible to the Director of the finance and public services.
• Coordinate, organize and supervise the execution of the work heads into a subordinate part.

5.3.4. Staff Expert
Expert staff consists of experts who assists the Director in carrying out their duties either associated with engineering and administration. Expert staff is responsible to the Managing Director in accordance with their respective areas of expertise to implement company policies and accountable for its work to shareholders at the end of his term.

Duties and authority of expert staff:
• Provide advice and suggestions in planning the development of the company.
• Provide technical and economic evaluation of the company.
• Provide advice in the field of law.

5.3.5. Research and Development (R & D)
Research and Development is composed of experts or scholars as maid of directors and is responsible to the board of directors.

Research and Development in charge of 2 (two) departments:
1. Department of Research
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2. Duties and Powers of the Department of Development Research and Development: enhance the quality of a product, improve the process of planning tools for pengembangar plant production, and enhance work efficiency.

5.3.6. Section Head
In general, the head of the task is to coordinate, organize and supervise the execution of the work in accordance with the environmental part lines provided by the company. Head part can also act as a staff director together expert staff. Head section is responsible to the Managing Director, which consists of:

A. The head of production.
   Responsible to the Director of Production in the field of quality and smooth production. Head of section in charge of production:
   1. Section Process, in charge:
      • Overseeing the course of the process and production
      • Running the necessary action on production equipment damage, before it repaired by an authorized section.
   2. Control Section, in charge:
      Handle things that can threaten the safety and reduce the potential dangers that exist.
   3. Section laboratory, in charge:
      • Monitor and analyze the quality of raw materials and auxiliary materials.
      • Monitor and analyze the quality of the production.
      • Keep an eye on things about the waste plant.

B. Head of Research and Development
   Research and development is composed of experts or scholars as maid of directors and is responsible to the board of directors. Duties and powers of R & D:
      • Enhance the quality of a product.
      • Improving the process of plant/planning tool for the development of
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production.
  • Enhancing the efficiency of work.

C. Head of Engineering
Responsible to the director of the production in the field of equipment, process and utility.
Head of engineering in charge:
  1. Maintenance Section, charge:
     • Maintenance building facilities and equipment plant
     • Repair damaged plant equipment
  2. Section Utilities
     Implement and manage utility facilities to meet the needs of the process, the needs of steam, water and electricity.

D. Head of Finance
Head of Finance is responsible to the Director of Finance and the Public in the field of administration and finance. Head of Finance oversees section :
  1. Section of Administration, in charge of :
     Keep records accounts payable, inventory administration and bookkeeping office scrtax issues.
  2. Cash Section, in charge :
     • Calculating the use of corporate money, securing money and make financial predictions of the future.
     • Hold the calculation of salaries and employee incentives.

E. Head of General
Responsible to the Director of Finance and the Public in the field of personnel, public relations and security. Head of General oversees :
  1. Personnel Section, with the task :
     • Fostering workforce and creating the best possible working conditions between workers and jobs and the environment in order to avoid waste of time and expense.
     • Ensuring a high work discipline in creating dynamic working conditions.
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- Implement matters relating to the welfare of employees.

2. Public Relations Division, with the task:
   Set the company's relationship with the outside community.

3. Security Section, which is in charge of:
   - Maintain all plant buildings and facilities that exist in the company.
   - Supervise the entry and exit of people, both employees and are not of the corporate environment.
   - Maintain and maintain confidentiality related to internal company.

F. Head of Marketing

Responsible to the director of the production in the field of raw materials and marketing of products. This section chief in charge:

1. Purchasing Section, in charge:
   - Implement the purchase of goods and peraiaran needed company.
   - Knowing the market price and the quality of raw materials and regulate the entry and exit of materials and tools and storage.

2. Sales Section, in charge:
   - Planning the sales strategy of production
   - Set the distribution of goods from the warehouse

5.3.7. Head of Section

Is executing the work in accordance with the environmental part plan that has been set by the head of each, in order to obtain maximum results and effective during the production process. Each section chief in charge of each section head in accordance with the sexy.

5.4. DISTRIBUTION OF HOURS OF EMPLOYEES

Butyl oleate plant is planned to operate for 330 days in a year and the production process lasts 24 hours per day, the rest of the day is not a holiday used for repair and maintenance (shutdown). While the distribution of working hours of employees are classified into two categories, namely:

1. Employees non-shift/daily.
   Non-shift employees are employees who do not handle the production
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process. Which includes daily employee is a Director, Advisor, Head of Section, Head of Section and Subordinates in the office. Daily employee in one week would work for 6 days with the division of labor hours as follows:

Hours:

- **Monday-Thursday**:  
  - At 08.00 - 12.00 hours  
  - At 12.00 – 13.00 break  
  - At 13.00 – 16.00 hours

- **Friday**:  
  - At 08.00 - 13.30 hours  
  - At 11.30 – 13.00 break  
  - At 13.00 – 16.00 hours

- **On Saturday, Sunday and Major holiday.**

2. Employee Shift

Shift employees are employees who directly handle the production process or manages certain parts of the plant that are related to security issues and the smooth production. Which includes employee shift among others: production operator, the majority of engineering parts, parts warehouse and parts of security.

The shift employees will work alternating day and night, with the setting as follows:

- **Shift the morning**: hour 07.00 - 15.00
- **Shift afternoon**: hour 15.00-23.00
- **Shift the night**: hour 23.00 - 07.00

For this shift employees were divided into 4 teams (A, B, C, D) where 3 teams and 1 team work breaks and worn interchangeably. Each team will have a turn 3 business days and 1 day off each shift and enter again for the next shift.
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Table 5.1 Schedule shift group division

<table>
<thead>
<tr>
<th>Day/Hour</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
</tr>
</thead>
<tbody>
<tr>
<td>08.00 – 16.00</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>16.00 – 24.00</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>A</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>24.00 – 08.00</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>B</td>
</tr>
<tr>
<td>HOLIDAYS</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
</tbody>
</table>

Information: A-D is the name of the team

Smooth production of a plant is influenced by factors discipline employees. For that to all employees enforced absences and attendance problems will be used as the basis for corporate leaders in developing the careers of employees.

5.5. STATUS OF EMPLOYEES AND WAGE SYSTEM

In this butyl oleate plant system employee wages vary depending on the status of employees, position, responsibilities and skills.

According to the status of employees are divided into 3 groups as follows:

1. Employees remain
   
   Is employees who are appointed and dismissed by Decree directors and received a monthly salary in accordance with the position, expertise and years of service.

2. Employees Daily
   
   Is employees who are appointed and dismissed directors without Decree (SK) directors and get paid daily wages of each weekend.

3. Employees Wholesale
   
   Used by plant employees when needed. These employees receive a wage contract to a company.

5.6. CLASS TITLE, NUMBER OF EMPLOYEES AND SALARY

5.6.1. Position classification

1. Head Director : Bachelor of Ekonomics/Engineering/Law
2. Production Director : Degree in Chemical Engineering
3. The Director of Finance and the Public : Bachelor of Economics
4. Head of Production : Degree in Chemical Engineering

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5. Head of Engineering: Degree in Chemical Engineering
6. Head of Marketing: Degree in Chemical Engineering/Economics
7. Head of Finance: Bachelor of Economics
8. Head of General: Bachelor of Laws
9. Head of Section: Bachelor
10. Operator: STM / high school
11. Secretary: The Secretary Academy
12. Doctor: Bachelor of Medicine
13. Nurse: Nursing Academy
14. Other: STM / high school

5.6.2. Number of Employees and Salaries

The number of employees should be determined precisely so that all existing jobs can be completed properly and efficiently. The number of employees in accordance with the position are as follows:

<table>
<thead>
<tr>
<th>POSITION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>The main director</td>
<td>1</td>
</tr>
<tr>
<td>Director of engineering and production</td>
<td>1</td>
</tr>
<tr>
<td>Finance director and general</td>
<td>1</td>
</tr>
<tr>
<td>Staff experts and R &amp; D</td>
<td>3</td>
</tr>
<tr>
<td>Secretary</td>
<td>3</td>
</tr>
<tr>
<td>Head of section</td>
<td>6</td>
</tr>
<tr>
<td>Section chief</td>
<td>16</td>
</tr>
<tr>
<td>Employees process</td>
<td>32</td>
</tr>
<tr>
<td>Employees Laboratory</td>
<td>5</td>
</tr>
<tr>
<td>Employees sale</td>
<td>8</td>
</tr>
<tr>
<td>Employees purchase</td>
<td>4</td>
</tr>
<tr>
<td>Maintenance employees</td>
<td>4</td>
</tr>
<tr>
<td>Employees Utilities</td>
<td>5</td>
</tr>
<tr>
<td>Security guard</td>
<td>8</td>
</tr>
<tr>
<td>Medical</td>
<td>2</td>
</tr>
<tr>
<td>Medics</td>
<td>2</td>
</tr>
<tr>
<td>Driver</td>
<td>5</td>
</tr>
<tr>
<td>Messenger</td>
<td>4</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Total</th>
<th>110</th>
</tr>
</thead>
</table>

Table 5.3 Employees Salary

<table>
<thead>
<tr>
<th>POSITION</th>
<th>Salary/Month (Rp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The main director</td>
<td>30.000.000.00</td>
</tr>
<tr>
<td>Director of engineering and production</td>
<td>15.000.000.00</td>
</tr>
<tr>
<td>Finance director and general</td>
<td>15.000.000.00</td>
</tr>
<tr>
<td>Staff experts and R &amp; D</td>
<td>4.000.000.00</td>
</tr>
<tr>
<td>Secretary</td>
<td>2.000.000.00</td>
</tr>
<tr>
<td>Head of section</td>
<td>4.500.000.00</td>
</tr>
<tr>
<td>Section chief</td>
<td>4.500.000.00</td>
</tr>
<tr>
<td>Employees process</td>
<td>3.000.000.00</td>
</tr>
<tr>
<td>Employees Laboratory</td>
<td>3.000.000.00</td>
</tr>
<tr>
<td>Employees sale</td>
<td>3.000.000.00</td>
</tr>
<tr>
<td>Employees purchase</td>
<td>3.000.000.00</td>
</tr>
<tr>
<td>Maintenance employees</td>
<td>1.750.000.00</td>
</tr>
<tr>
<td>Employees Utilities</td>
<td>2.000.000.00</td>
</tr>
<tr>
<td>Security guard</td>
<td>1.000.000.00</td>
</tr>
<tr>
<td>Medical</td>
<td>2.500.000.00</td>
</tr>
<tr>
<td>Medics</td>
<td>1.000.000.00</td>
</tr>
<tr>
<td>Driver</td>
<td>800.000.00</td>
</tr>
<tr>
<td>Messenger</td>
<td>600.000.00</td>
</tr>
</tbody>
</table>

5.7. SOCIAL WELFARE EMPLOYEES

Welfare provided by the company to employees, among others:

1. Allowances
   - Allowances granted in the form of base salary based on the hierarchical level.
   - Allowances position given by the position the employee held.
   - Overtime allowance granted to employees who work outside of working hours based on the number of hours worked.

2. Leave
   Annual leave granted to each employee during the 12 working days in 1 year.
   Sick leave is given to employees who suffer based information Doctor.

3. Work Clothes
Work clothing given to every employee number 3 pairs for each year.

4. Treatment

The cost of treatment for employees who suffer the ill effects of the work covered by the company in accordance with applicable law medical costs for employees who suffer from pain is not caused by a workplace accident is set at the discretion of the company.