



Company Profile

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|---------------|--------------------------------|
| SME Name | : CV Mubarokfood Cipta Delicia |
| Location | : Kudus, Central java |
| Established | : 1910 |
| Products | : Jenang & Dodol |
| Target Market | : Domestic & Export |

The Inception of Snack Producer Mubarokfood

Having been through a journey of over a century, CV Mubarokfood Cipta Delicia never lets complacency get in the way of their vision to sell its products in the international market. The producer of local delicacy in the city of Kudus, Central Java, strives to improve itself to reach that global dream. Company President Director Hilmy believes that it is never late to bring Indonesian food worldwide.

The company started as humble households venture in 1902 by couple H. Mabruri and Hj. Alawiyah. At first, jenang or sticky-rice taffy was made for family consumption, not for sales. But the sweet delicacy soon gained popularity among neighbors, who often ordered it for various events.

In 1910, Hj. Mabruri began to sell the family jenang at Bubar Market, where the grave of noted Muslim mevangelist, Sunan Kudus, is also located. The production capacity was only around 35 kilogram per day, based on order only. The couple faced difficult hurdles in terms of production, market expansion and limited raw material supplies, amid the tough period of Dutch Colonial.

The business survived, however, and was taken over in 1940 by the couple's son, H.A. Shohib, and his wife Hj. Istifaiyah – Hilmy's parents. Hilmy only led the company officially in 1992, and he succeeded in bringing the products to the global market, such as Singapore, Malaysia and European countries.

Initially, Hilmy says he often encountered challenges in managing human resources of the company. "We did not have correct recruitment system. Recruitment was only based on information and words of mouth. We only asked families, relatives and close neighbors. It caused our human resources to have various background: some never go to school, some are only elementary school graduates, there are others who come from Islamic boarding school," he says.

The situation made it difficult for the company to move forward and expand. However, Hilmy and the entire company management maintained the employees and avoid layoff. "Amid the weakness in the human resources aspect, the company must be willing to nurture employees to improve them," he says.

Hilmy sees workers as components that move the company. They are the company's important assets. Therefore, building their capacity and knowledge is the responsibility of the company.

Apart from human resources issues, Mubarok management has transformed the production process from conventional method to modern one. The company gradually built a number of facilities to support the process, such as laboratory, the machines to make sticky rice flour, the equipment to make coconut milk, jenang dough mixer, and other facilities.

Muhammad Hilmy

Director of CV Mubarakfood Cipta Delicia

SCORE HELPS IMPROVE COMPANY'S PRODUCTIVITY



Modified grating machine



One of the supporting facility that's made: mixer for jenang dough.

THEY SAY

"SCORE method is not patronizing, but creating deeper understanding about productivity."

Anas Rudi
SCORE Instructor
Provincial Productivity Training
Center,
Central Java

In 2010, CV Mubarakfood Cipta Delicia had the opportunity to attend a productivity improvement training held by the International Labor Organization's (ILO) SCORE Program, in coordination with the Provincial Productivity Training Center (BP2TK) Central Java.

Meilany Astining Asih, the company's head of human resources department, says SCORE, with five training module, is an incredible program as it provides solutions. "In 2011, when the company wanted to transform and improve the human resources and productivity, we had the opportunity to participate in SCORE training and mentoring. It was a nice coincident," she says.

Agus, SCORE trainer from Provincial Productivity Training Center Central Java, says, "When we conducted baseline assessment to find out about the company's initial condition before SCORE training, we found so many irregularities in terms of workplace organization, the high rate of overtime, health issue, work safety issue, and so on." Fortunately, the incredible support from the company's leaders and workers, as well as the eagerness of the management team to change has led to SCORE success in the company.

Since 2011, the company has been carrying out gradual changes in line with SCORE mentoring and training, from improving cleanliness and tidiness, to better communications and cooperation among workers, quality control mechanism in every line of production, efficiency of firewood storage, and significant decrease of work overtime.

After the completion of the last module on Health, Safety and Work Relationship in 2014, the company's management, with the workers union and the P2K3 (Work Health and Safety Committee), did the mapping and identification of accidents in the workplace. The company's data show that employees at coconut-grating unit often get their fingers injured. "It may be minor accidents and it doesn't cause employees to lose their working hours, but it cannot be ignored. The company must ensure the safety of the workers and minimize accident risk at the workplace," Meilany says.

Abdul Ghofur, who has been working for five year at the coconut-grating unit, says he had suffered several minor accidents. "I lost half of my right middle finger and suffered from minor injuries because of the coconut grater," he says.

To minimize work accident risk, the company modified the grating machine by installing funnel to insert coconut and put on pressing tool to grate the coconut. "We can only modify one grating machine so far, which costs Rp 566,000," Meilany says. The modification is necessary, she says, because the current machine is accident-prone and takes a while to grate. Employees also have to slouch for a long time to do their work. "It's not ergonomic," Meilany says.

"Before the modification, my back and waist often hurt because I had to slouch to grate 300 coconuts per day," says Abdul.



ABDUL GHOFUR

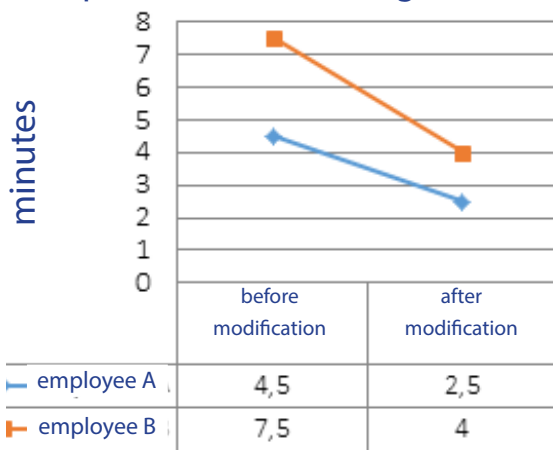
Had minor injuries due to the hazardous machine before modification

Meilany explains that jenang production requires fresh coconut milk. With the machine modification, grating coconut becomes 100 percent faster, from one batch per 5 minutes to two batches per 5 minutes.

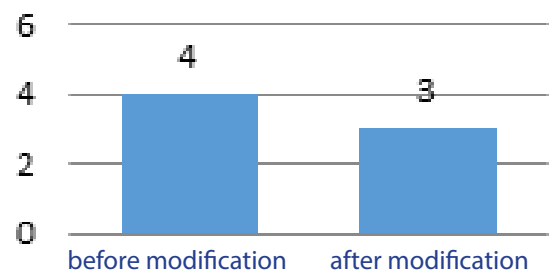
Besides the improvement of grating time, the grater rolls only wear out in the fourth month, instead of the third month previously. So, if six machines have been modified, it would save an amount of money.

Seeing the improvements, innovation and breakthrough steps done by the company, Agus Widiyanto, a SCORE trainer from Provincial Productivity Training Center Central Java, asserts, "The Key of success of a SCORE program

Improvement in Grating Time



Usage of Grater Rolls per grating machine



Total saving per year = Rp. 165.000,-
x 6 unit = Rp. 990.000,-

in a company is the commitment of the leaders and the employees. Otherwise, the change would not happen."

He adds, "SCORE Program is systematic and tiered. There are steps in problem solving. For example, before we talk about productivity, we are taught to improve coordination,

communications, leadership, as they are the basis of the success of a program."

Another SCORE trainer from Provincial Productivity Training Center Central Java, says, "SCORE method is applicable, making it highly suitable for small and medium businesses, especially in

manufacture and service sectors." He adds that Provincial Productivity Training Center has adopted the method in the training modules for the government on productivity. "SCORE method is not patronizing, but creating deeper understanding about productivity."

Reducing Risk of Injuries by Modifying Grating Machines

Not only it provides more security for the employees, but also it increases the production rate as the time needed to grate the coconuts reduces



Before Modification



After Modification



THEY SAY

"The key of success of a SCORE program in a company is the commitment of the leaders and the employees. Otherwise, the change would not happen."

Agus Widiyanto
SCORE Instructor Provincial Productivity Training Center,
Central Java

Waste Recycling

The grating process creates production waste that can be reused by other parties. According to Meilany, CV Mubarakfood Cipta Delicia sells the coconut waste and makes money from it. "We've been doing it in the past several years and surprisingly, we get profit from it." The following data shows how the company profits from the sales of coconut waste.

| YEAR | DETAILS | | | TOTAL |
|-------|---------------|----------------|---------------|----------------|
| | COCONUT WATER | COCONUT SHELL | DREGS | |
| 2010 | Rp - | Rp - | Rp - | Rp - |
| 2011 | Rp 10,874,000 | Rp 545,000 | Rp 20,000 | Rp 11,439,000 |
| 2012 | Rp 14,210,900 | Rp 8,009,200 | Rp 6,670,750 | Rp 28,890,850 |
| 2013 | Rp 10,255,800 | Rp 24,799,900 | Rp 19,049,200 | Rp 54,104,900 |
| 2014 | Rp 40,584,700 | Rp 69,478,500 | Rp 21,146,500 | Rp 131,209,700 |
| TOTAL | Rp 75,925,400 | Rp 102,832,600 | Rp 46,886,450 | Rp 225,644,450 |

Reject Rate After Implementation of SCORE Program



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