



COMPANY PROFILE

SME Name
CV Kreatif Bali Trading (Bali Sarong)

Location
Tukad Baru Timur Street No.48,
Denpasar – Bali

Established
2000

Products
Balinese beach sarong and clothing line

Target Market
International clients



"The SCORE training is simple and applicable, yet it has a huge impact. My company becomes more neat and organized. Also, we used to pile up our rejected products and we had no idea what we should do to them. The SCORE training helped to solve this problem. Now, we have a new export business for our defective products, which has profited us hundred millions of Rupiah."

Khoiruddin
Bali Sarong's Owner

"The SCORE training encourage me to have a more open communication with my employees. Nowadays, we have a morning briefing every day, so each employee knows what project we are currently doing."

Nuhayati
Bali Sarong's Owner

SUSTAINING GROWTH THROUGH ADDED VALUES

Rudi and Inung first started their trading business with only one buyer in 2000. They hired the housewives in their surrounding area as workers. Acted as the middlemen, they helped local businesses in selling their sarong and handicraft products to international buyers. Five years ago, the couple saw an opportunity to start producing their own products, mainly consists of beach sarong and clothing line. "Sarong is easy to make, but our clothing line generates a bigger revenue," explained Rudi.

Nowadays, with the help of 50 workers, Rudi and Inung are selling their products to 25 international buyers from Mexico, Puerto Rico, The Bahamas, Panama, and some African countries. "Some buyers have their own famous brands, such as Secret Beach and Casual Movement," Rudi added.

As their business grows, they faced challenges due to the slowing global economy. "We exported around 750,000 units in 2015. Unfortunately this year, many countries are experiencing the economic recessions, so we have to

lower our target production because of the declining demand from our buyers," Rudi reported.

Being faced with lower demands from some of their buyers, Rudi and Inung tried to find a way to increase their cost efficiency. That was when the Bali Export Development Organization (BEDO) – in which they become one of the members – introduced them to the SCORE training. They decided to join the training after attending the SCORE presentations. "We were invited to the presentations. There, we saw SMEs with the same problem as ours, and how the SCORE training had helped them to solve their problems as well as improving their performance," told Rudi. "That was when we decided to jump on the opportunity."

On April 2016, they begin the training. However, resistance quickly arises from among their employees. "Some of our employees have been with us for more than a decade, so they think they know everything about the business," said Inung. "In reality, they are often

BEFORE



AFTER



Hanging Patterns

Production phase is begun by producing many of patterns for their products. After SCORE is implemented company refiled the patterns storage to be more efficient and effective.

WHAT THEY SAY

“The SCORE training is perfect to train our employees to be more organized at work.”

Komariah

Production Supervisor

“SCORE training has brought positive impact to me. I know better of 5S and efficiency at work. Having the SCORE training also create a new and nice working environment”

Karomah

Production Staff

“The SCORE training definitely brings a positive impact to the company. The training is easily applicable and it brings positive changes for us.”

Deni Ruspendi

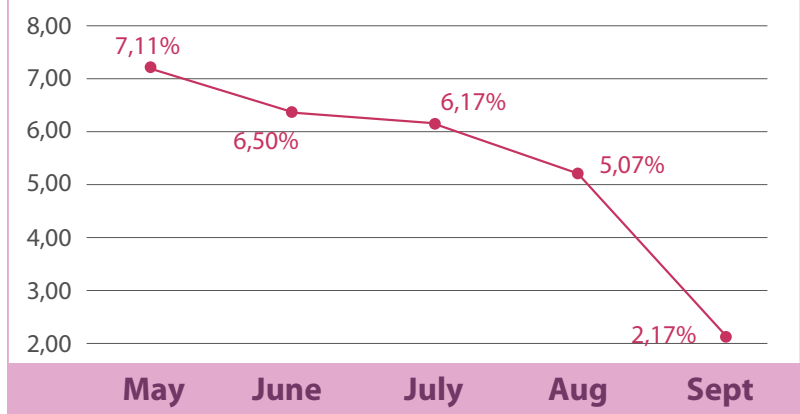
Database Manager

“In the past, Bali Sarong management run their business as usual. Thanks to the SCORE training, now they have a better idea on how to improve their business.”

Sri Dewi

SCORE Trainer & BEDO Coach

Data Rework Rate (%) Per month



repeated the same mistakes at work, such as misreading orders from our buyers. When the buyer requesting red color, for instance, they think pink color is better. These are the people who were resisting the idea to change, as they already feel comfortable with the old system.”

SCORE Brings Changes

Rudi and Inung then decided to have a big meeting to synchronize their objective. “We want them to understand our visions for the future, and work together with us to execute them,” said Rudi. Gradually, their employees started to accept the new ideas and even felt motivated to work together as a team to help the company. Many of Bali Sarong’s employees has benefited from SCORE training especially on the way they

work today is more efficient. “SCORE Training has brought positive impact to me. I know better of 5S and efficiency at work. Having the SCORE Training also create a new and nice working environment” Said Karomah, Production Staff.

As the SCORE training started and while cleaning up the warehouse, they decided to buy additional trash bins. “We then realized that we have so many defective products that were rejected by our buyers. They were too good to be trashed away, yet our buyers won’t take them. We felt that we should do something about it, but we had no idea what to do,” remembered Rudi.

Upon discussion with management, employees, and the SCORE trainers, they came up with the idea to export

Production Process

Employees at Bali Sarong at their production work. At this stage employees need to be supported by nice and neat working environment.



those products to buyers from African countries. “Some buyers from Africa were actually looking for defective products, so we ended up selling our products to them,” said Inung. The result was amazing, as they were able to generate revenue up to Rp700 million. “From selling those products alone, we were able to capitalize the profit to expand our factory,” she added. The initiative also significantly reduces their defective rate.

The reducing of defective rate also helps the company in saving their production cost. The rework rate has significantly drowned from 7,11% in Mei 2016 to 2,17% in September 2016. Other remarkable rate that caused by SCORE Training is the efficiency improvement made by the manufacture from 60,78% of total production in Mei 2016 to 84,45% in September 2016. That means

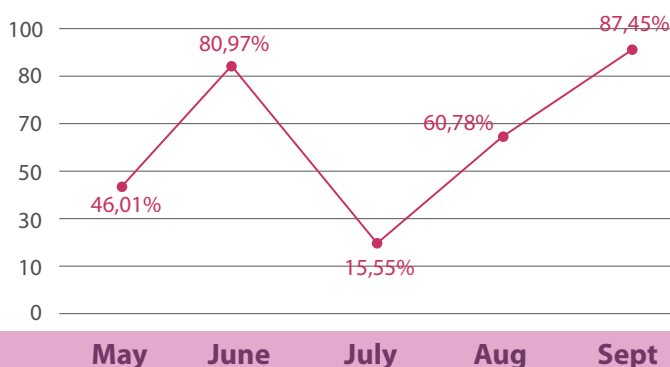
Bali Sarong has strong willingness in improving efficiency as one of SCORE Training Goals.

The running of the production at manufacture is related to energy usage. Bali Sarong’s commitment to save energy usage throughout SCORE training is proven by the percentage number of energy usage they have saved during 5 months of training. Bali Sarong has saved 55,09% of energy useage for their production which increases around 24% from usage in Mei that reached 81,00% But that is not the only advantage they received from the SCORE training. In terms of industrial relationship, they also managed to build a better relations with their employees. “We now have a clearer job description for each division,” said Bali Sarong’s Production Supervisor Komariah.

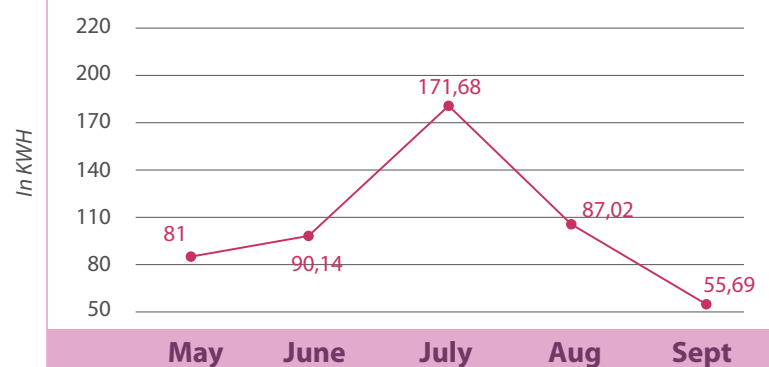
“The workplace becomes more spacious and neat, while our work system and structure become more organized. This has definitely increased our production and on time delivery rate.”

The SCORE Training also nurtures their habit of having a morning briefing every day. “Thanks to our routine morning briefing, we manage to improve our communication. Nowadays, it is easier for us to deliver instruction and message to our employees,” said Rudi. This is evident from the employees’ enthusiasm in giving ideas and voicing their opinion during the meeting. “We are more open and honest to each other. This has greatly improved not only our relationship, but also our company’s performance, both in production and cost-efficiency,” he added happily.

**Efficiency Rate (%)
Per month**



Energy Usage per Unit





Sarong products of Bali Sarong have been exported overseas such as to Netherland, USA, Latin America and Africa.

BEFORE



AFTER

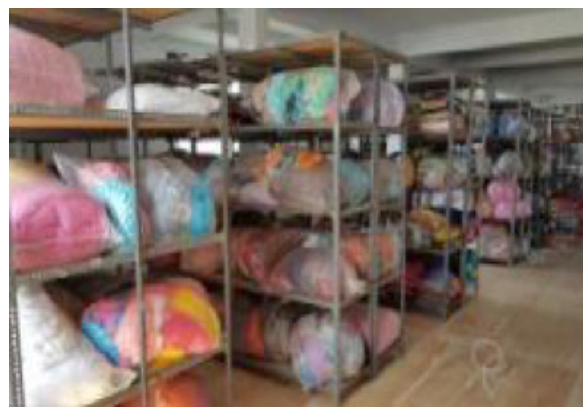


Employees of Bali Sarong now have a decent work place and neat storage room that beneficial for them to work more efficiently. This is done after SCORE training has been conducted at the workshop.

BEFORE



AFTER



The SCORE program is a training program initiated by ILO and funded by Swiss Secretariat for Economics Affairs (SECO) & Norwegian Agency for Development (NORAD). This program was developed and implemented by Ministry of Manpower Indonesia, Indonesian Employers Association (APINDO), The Confederation of Trade Unions and ILO.



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