

## CASE STUDY PT. SINAR SURYA BAJA PROFILINDO



#### **COMPANY PROFILE**

**SME Name** 

PT. Sinar Surya Baja Profilindo (SSBP)

Location

Cikupa, Tangerang

Established **2007** 

Products

Pipe, C/CNP canal, steel plate

Target Market **Domestic** 

#### WHAT THEY SAY

"The SCORE Training helps the management and trade union to solve problems through discussion and collaboration. The training also encourages us to keep learning from each other every day."

**Vicky Ferdinand** HR & GA Manager

# THE TRADE UNION

**BUILDING COMMUNICATION THROUGH** 

PT. Sinar Surya Baja profilindo (SSBP) s HR & GA Manager, Vicky Ferdinand, admitted that he was sceptical at first when he was invited to join the SCORE presentation. "How could it help the company improve its efficiency only in a few months?" he questioned. Driven by curiosity, he attended the presentation anyway, and when Sentra Otomotif Indonesia (SOI), SCORE implementing partner, showed him how SCORE training changed the unorganized condition of a factory in West Java, he was stunned. "That part when they showed pictures of the factory before the SCORE training, it looked exactly like ours at that time," said Ferdinand. Soon after, SSBP agreed to join the training.

Helmi Salim, SCORE trainer that is also Head of Training from Confederation of All Indonesian Trade Union, visited the factory for the first time in November 2015. He held a meeting with both SSBP management and the trade union representatives. "The conversation was stiff," he bluntly said. "The representatives were very quiet. They were hesitated to talk, so we encourage

them to speak up."

Salim convinced that the SCORE Training helps to eliminate the negative assumption about the trade union. "Many companies see the trade union as a threat. But through this training, they are now realizing that this is definitely not the case. Trade unions, on the contrary, helps to deliver messages to employees. We help bridging the communication between the management and their employees, in order to create a more positive and healthy working environment. This, in the end, will boost the company's performance."

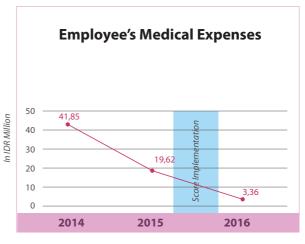
Even though the company already received an ISO 9001:2008, they faced challenges in maintaining consistent performance, as there were many employees who had not realized the importance of health and work safety (OSH) procedures. "We only delivered the OSH policies in a one-time basic training, and we did not supervise it to make sure that they implement them in a consistent manner," said Ferdinand. This resulted in a series of high-cost











accidents. In 2015, the company spend almost Rp20 million for OSH-related accidents. This number went down after the SCORE Training, where the cost declined 83.5%, or significantly reduced to Rp3.3 million in 2016.

#### **Growing A Better Relationship**

Another problem was the one-way communication that the company applied in delivering instructions. There was no feedback from the employees. This has changed after the first SCORE meeting. Today, they maintain a more communication intensive through morning briefing and bi-weekly regular meeting. "Now, every time we have a problem, we discuss it together. Our solution to the problem is decided and agreed by both the management and employees. It is no longer just a oneway instruction," said Ferdinand. This intensive communication between employees and management has created a better working environment. "Since SCORE is implemented our

management now is more open for discussion with employees, our work is more efficient and many new facilities have been built for us like canteen and badminton hall" said Tukiyo, one of the staffs.

addition In intensive communication to the employees, the company has done numerous material improvements within the factory, such as new pedestrian line & route, area identification name tags, colorized identification to differentiate products, new guideline board, new band strapping equipment, and many more. This approach has drastically changed the work attitude of the employees. They are aware of the current problems and willing to work together to solve the problems by following instructions. "They put their heart into their work, and the results are amazing," Ferdinand commented. For example, they are now willing to wear the HWS standardizeduniform - such as the hat and gloves - without being reminded all the time

like they used to. This helps to reduce accidents and increase cost-efficiency.

In terms of production, one of the main issues is that not all customers have enough capacity to store their materials. "Many of our customers will order a huge amount of pipes, but they will store their materials in our factory instead, because they do not have spacious warehouse to store them," said Plant Manager Agus Handoyo. These materials were piled up and mixed up inside the factory, increasing the room inefficiency. After the SCORE Training, the company is able to identify the purchased materials more accurately, as well as reduce the amount of defective products, which increase the cost efficiency in production and delivery.

This phase of SCORE Training has successfully reduced the defected products at SSBP. From 0,58% in November 2015 to only 0,16% in April 2016. This number has also positive impact to efficiency rate that significantly drown by 19,57% in April 2016 from 50,63% in November 2015.

The efficient system also helps to boost

Employees of SSBP enjoy badminton after work. Badminton court is built as a request by employees to the management right after SCORE training was conducted



#### WHAT THEY SAY

"Before the SCORE Training, it was difficult for employees to meet the management. It's like there was a brick wall between us. After the training, we have regular formal meetings and we can talk informally to the management at any time."

**Catur Widhi Saputra** Head of Trade Union in SSBP

"SCORE Training change two main things: it removes the 'troublemaker' image of the trade union, and it helps the management to appreciate the trade union's role in bridging a positive communication between them and their employees."

#### Helmi Salim

SCORE Trainer, Head of Indonesian Trade Union

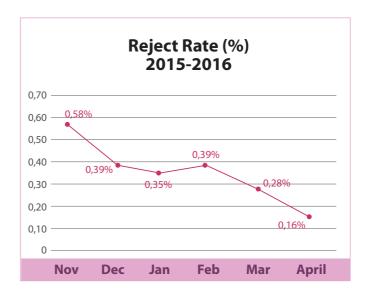
"Since SCORE is implemented our management now is more open for discussion with employees, our work is more efficient and many new facilities have been built for us like canteen and badminton hall"

**Tukiyo** Staff employees' work convenience. The Head of SSBP Labor Union, Catur Widhi Saputra, said that the employees' sense of belonging to the company has increased drastically. Most employees now enjoy many benefit of SCORE Program. This was evident when they agreed to work together to build a new canteen place. "The company did not hire any contractor to build the canteen, all of the work constructions were done by the employees themselves," told him.

Saputra also noticed how the relationship between employees grew stronger each day. "Currently, we have two sports activities for the employees, supported by the management. We have a routine badminton game every evening, and the Tarung Derajat martial arts training conducted every Tuesday and Friday evening," reported Saputra. "We have 19 female

employees working at the office – from the total of 183 employees in the company – and they are also participating in our sports activities," added Ferdinand, emphasizing on the gender equality improvement after the SCORE training.

The harmonious relationship between the management and the trade union has increased the employees' awareness of management policy. "The trade union greatly helps us in disbursing information related to production or new policy. A few months ago, every time we came up with some new policies, employees responded with suspicions and doubts. Thanks to our trade union efforts in bridging the communication, today our employees are more open to changes and responded positively. This has improved the overall of our factory performance," said Ferdinand. Now, what was questioned before is being answered. Score Training has helped SSBP to improve not only efficiency but also the overall performance.





of Sinar Surya









SSBP now has a new built and decent canteen for employees having their meals during break time and a newly walking lane for worker. These are done after SCORE training is conducted

### **BEFORE**









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.













