

# CASE STUDY PT. SANSHO RUBBER INDONESIA



### **COMPANY PROFILE**

SME Name

PT. Sansho Rubber Indonesia

location

Jl. Palem Manis III No. 66, Kawasan Industri Manis II Jatiuwung Tangerang 15137

Established **2013** 

Products
Rubber Components

Target Market **Domestic** 

"As a new company we still have limitation in aligning company's vision and workers' commitment. SCORE implementation has brought significant change to it. Management and workers now have the same vision at work"

**Budi Sapto Aji**Production Manager





## **QUALITY IS THE KEY OF SUCCESS**

Although relatively new, PT Sansho Rubber Indonesia (SRI) has successfully transformed into a respected rubber component company in Indonesia. The rapid development of the manufacturing industry in Indonesia in the last decades, especially in the industy of automotive, housewares, office equipment and industrial equipment, requires precision and high quality rubber components. Not many rubber component companies are capable of delivering high-quality products but still maintaining their consistency of quality. SRI managed to see this condition as an opportunity to be at the forefront.

SRI was established in May 2013 and commenced its operations in January 2014 with core of business as a rubber parts manufacturer for various industries especially automotive and home appliances. SRI has the motto of Quality Protect Jobs that synergizes with the vision of becoming the leading rubber component manufacture and reliable supplier in Indonesia.

As a new company in Indonesia, SRI certainly faces various challenges and business constraints. As a factory that has only 50 employees SRI must deal with high business demands and taugher competition among other companies. To be able to have a high competitiveness and continue to be better, SRI must be able to maintain the quality of its products.

# Maintaining Product's Quality Through Efficiency

As a manufacturer of rubber components with products ranging from Rubber Seals, Gaskets, RubberO-Ring / Packing to Gromet, SRI maintains its quality while running its business efficiently and effectively. SRI's biggest challenge is how to run the business by producing good quality products supported by efficient and innovative factory and be able to maintain customers satisfaction and bring profit. To achieve that goals SRI needs more than just commitment from management and workers but also improvement in all aspects. One of the improvement that is urgently to do is to implement efficiency and effectiveness



#### WHAT THEY SAY

"Since SCORE is implemented, we focus more on target and do not waste much time walking side to side searching for materials"

**Yudhi Tri Asmoro**Operator Staff

"Today, our company becomes more pleasant. Communication among workers is done in better way. Factory is neat and well-managed. Workers become more enthusiastic and motivated. These are the benefits of implementing SCORE"

Eny Fatimah S HR &GA.

"SCORE brings changes for SRI. In today's business we are growing rapidly, productivity is increasing which is followed by an increased revenue. In addition, SRI workers also have a new spirit and high motivation at work"

Ir.Abdullah Santosa Rahardjo Instructor SCORE, SOI (Sentra Otomotif Indonesia) that can increase productivity and improve quality of the products. To answer this question, management of SRI was introduced to SCORE Program by SOI (Sentra Otomotif Indonesia) and Indonesian Ministry of Industry where they shared all success stories of previous companies who implemented SCORE program. Having seen presentation of SCORE program, SRI finally agreed to join in August 2016.

"Often at work, communication among workers doesn't come along. Another issue arised was that the storage space is not well managed. This brings impact on efficiency at work and productivity in the company" said Budi Sapto Aji, Production Manager. "As a new company we still have limitation in aligning company's vision and workers' commitment. SCORE implementation has brought significant change to it. Management and workers now have the same vision at work" added Budi.

beginning of **SCORE** At the implementation SRI immediately set up an Enterprise Improvement Team (EIT). Together with EIT, SRI has done many things at the factory such as rebuilding workers' commitment, strengthening communication among workers through routine morning briefing and most importantly growing the culture of 5S; Seiri, Seiton, Seiso, Seiketsu and Shitsuke (Sorting, Setup, Cleaning, Guarding and Self Awareness) that has been integrated with the company. Before implementing SCORE there were few employees of SRI have been sent to join 5S training in Japan. But they still had difficulties in implementing and growing 5S culture. When SCORE was implemented they finally know better on how to implement 5S at the factory.

**SCORE** The impact of implementation is very positive. Previously it would take hours to search for materials in warehouse. but now it only takes four to five minutes. This time efficiency affected productivity at final packing division that consist of eight workers. A worker in this division previously could produce 7000 pieces readyto- sell products per day or 56000 pieces in total. now they are able to pack 10000 pieces per day or 80000 pieces ready-to-sell products in total. One product priced IDR 5000 at the lowest. SRI now can generate approximately IDR 400 million per day compare to the previous one IDR 280 million.

SCORE also brings positive impact on the efficiency. Energy usage savings, for example, when first joined in August 2016 SRI used around 3,1 Kwh/per unit production. This figure down in October 2016 with only 2.7 kwh / kg.

SCORE program was responded positively by the workers. Although



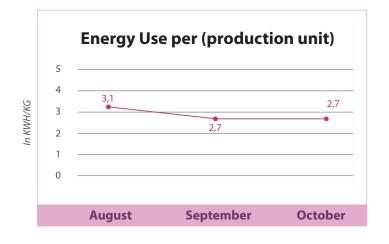
Re-managed warehouse after SCORE implementation, resulted in time efficiency searching for material or products

there was a resistance in the beginning, but as workers were directly involved in SCORE activities they become more open and motivated to do it. SRI's management has also changed the operators ways of work. Currently operators are provided with materials near them so they do not need to waste more time walking from one side to another searching for the materials. With this way, operators can work effectively and efficiently. "Since SCORE is implemented, we focus more on targets and do not waste much time walking side to side searching for materials" said Yudhi Tri Asmoro, Staff Operator.

SCORE implementation leaves good impression. Workers at SRI are now happier and motivated at work. SRI also provides many new facilities and

activities such as information board that contains various informations related to company policy, employee activities and others. This has a positive impact on employees' absence rate. Although it has risen at 1.6% in September 2016 but it declined to 1.1% in October 2016. "SCORE brings changes for SRI. In today's business they are growing rapidly. Productivity is increasing which is followed by an increased revenue. In addition, SRI workers also have a new spirit and high motivation at work "said Ir.Abdullah Rahardio. Instructor SCORE from SOI (Sentra Otomotif Indonesia).

Management also put color signs in the process of checking and sorting. This makes easier for workers to identify products. At the communication level, workers and management agree to deliberate in deciding a policy or regulation. Gathering and sports activities are held together after work to strengthen the bonding among workers. SCORE program brings a new atmosphere to the company. "Today, our company becomes more pleasant. Communication among workers is done in better way. Factory is neat and well-managed. Workers become more enthusiastic and motivated. These are the benefits of implementing SCORE"said Eny Fatimah S, HR & GA.







Products of PT Sansho



"Through SCORE program workers have done 5S at warehouse. Now warehouse is well-managed, wider, and cleaner"



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.













