

## CASE STUDY PT SEMPE ARUMANIS HAJI ARDI



#### **COMPANY PROFILE**

**SME Name** 

PT. Sempe Arumanis Haji Ardi

ocation

Babadan RT 05/36 Kadipolo Sendangtirto Berbah Sleman, Yogyakarta

Established **2011** 

Products

Traditional Snacks Sempe & Arum manis

Target Market: Domestic



"Many positive things happen since SCORE was implemented. One that significantly changed is an improved and open communication approach between workers and management"

### **Haji Ardi**Owner of PT Sempe Arumanis





# PRESERVING TRADITIONAL SNACKS THROUGH EFFICIENCY AND IMPROVED PRODUCTIVITY

At the beginning of establishing PT Sempe Arumanis, Haji Ardi, the owner, aimed to preserve the traditional Indonesian snacks arum manis that was at that time very rarely produced. Because the competition in snacks industry is getting tougher time by time, Haji Ardi innovated by combining arum manis with sempe, another traditional snack. Since then it becomes sempe arum manis as it is well-known.

For years traditional snacks companies in Indonesia have been facing a fierce competition with other similar products. The presence of modern and fast food industry forces them to improve their productivity and cost saving.

#### **Cost Saving**

As a small food industry that competes openly in the industry, PT Sempe Arumanis has various business challenges on how to be efficient and productive. Haji Ardi as the owner seeks an opportunity of having collaboration with

institution or organization that can help PT Sempe Arumanis to become an effective and productive as well profitable company. The desire to create a better company brought Haji Ardi to join the presentation on SCORE Program from Business & Export Development Organization (BEDO) and Business Service Association of Indonesia (ABDSI). PT Sempe Arumanis finally joined SCORE Program in Septembre 2016.

implementation of During the SCORE at PT Sempe Arumanis there was an improvement. When 5S was implemented, PT Sempe Arumanis successfully reshaped and remanaged production area. Storage room that was previously messy and dirty now it becomes wider, cleaner and well managed. Production area was also reorganized and becomes better so it can help workers to work optimal. "SCORE teaches us how to perform efficiencies through 5S. It is very helpful so that we can be optimal in working"said Muhamad Syahril, Production Worker.

SCORE Implementation

also



Women At Work

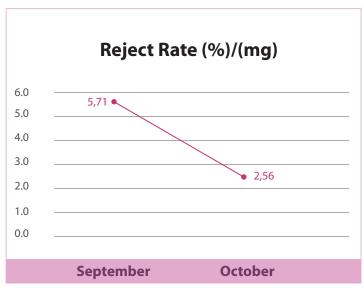
#### WHAT THEY SAY

"SCORE teaches us how to perform efficiencies through 5S. It is very helpful so that we can be optimal in working"

**Muhamad Syahril** *Production Worker* 

"SCORE brings a change to the company. Our production area is so neat, clean and well managed and the communication amongs workers are getting better"

Amalia Setiati Worker



brings changes in production productivity. Production arum manis for example, before the implementation of SCORE it consisted of seven workers with three assistants in charge of providing production materials. Now it has only 7 workers with one assistant. Workers at production used to generate 210 pullings of arum manis each pulling costs IDR 14.580 with total producton cost IDR 3.061.800. From those 210 pullings 12 of them were rejected or 5,71% reject rate/mg. reject rate cost IDR 174.960. Now with only one assistant, workers can generate 156 pullings of arum manis with total production cost IDR 2.274.480. Only 4 of them being rejected or 2,56% /mg that cost IDR 58.320. This condition makes PT Sempe Arumanis saved IDR 336.185 per month. Besides Sempe increased its efficiency 62,1% in November 2016 from 56,5% in September 2016.

Another positive thing better communication approach between workers and management. Since SCORE is implemented a routine 5-10 minutes morning briefing is conducted. This morning briefing was conducted to find out the targets of production and other things related to production process "Many positive things happen since SCORE was implemented. One significantly that changed is an improved and open communication approach between workers and management"said Haji Ardi, Owner of PT Sempe Arumanis. Previously the payment's schedule for workers often late, but since SCORE is implemented and regular

**Production Process** 

meetings are conducted payment is now paid on time.

On the other hand the relationship between workers improves to be more solid. It is fostered through various activities such as sports activities and worker's gathering. "SCORE brings a change to the company. Our production area is so neat, clean and well managed and the communication amongs workers are getting better "closed Amalia Setiati, Worker of PT Sempe Arumanis. With this positive change PT Sempe Arumanis is ready to be a productive and better company and continue preserving traditional Indonesian snacks.

#### **BEFORE**



#### **AFTER**



Through SCORE Program workers at PT Sempe Arumanis remanaged and clean production areas to be wider, well-managed and cleaner. 1



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.













