

Going International through ILO-SCORE Programme

PT Mubarakfood Cipta Delicia in Kudus, Central Java, is one of the pilot enterprises of the ILO-SCORE programmes. After joining the ILO-SCORE programme in 2011, the company has witnessed increased productivity, better working conditions and improved communication between management and workers. Mubarakfood also managed to reduce the number of reworked and rejected products. In addition of being awarded with 2011 Parama's Work Award for the National Productivity and Quality, Mubarakfood was also invited by the Ministry of Manpower and Transmigration to present their productivity, occupational safety and health (OSH) improvement in the Asian European Meeting on OSH held in Singapore on 10 September 2012.

From humble household venture over a century ago, PT Mubarakfood Cipta Delicia has grown into a well-known snack producer, particularly in Central Java. Currently run by the third generation of the family that started the business, the company now has over 100 employees and products that reach across the country and abroad. Several measures have also been taken to expand the business, including the purchase of a piece of land to build bigger plant than the current one occupying a 1-hectare area.

However, before moving forward with the expansion plan, the company realized that they had to resolve some problems. "We felt that employees' commitment had been fluctuating; they lacked discipline, they only showed minimum effort, and there was a high rate of absence and overtime," said company president director Muhammad Hilmy.

The use of material and firewood had not been efficient either. The firewood, particularly, was problematic; it was humid, causing the fire to be unstable, which led to more works and burnt dough. The company also faced unhealthy competition with rampant forgery. "We have taken legal measure against a producer, but counterfeit products remain rampant. We can't sue all of them," said Ashifuddin, production manager, pointing to the high shelf filled with such products.

Mubarakfood management decided that they required guidance to meet the challenges. Fortunately, they were introduced by local manpower office to the ILO-SCORE programme in March 2011, which they immediately participated in. "It was a wake-up call to boost the awareness to increase productivity and added value," said Hilmy.

The company created teams to be in charge of maintaining the cleanliness and tidiness of the plant. Employees were gathered regularly for briefings, where they received motivations and knowledge on work qualities. The stricter implementation of reward and punishment was imposed, with a single mistake would be reprimanded but good works would be rewarded with bonus.

Quality control mechanism was applied at the end of every production phase instead of the end of the entire process to make it easier to trace mistakes. The warehouse to keep the firewood was fixed and renovated. The asbestos and leaky roof was changed into the one made of fiberglass to enable sunshine to come in and dry the wood.

"Teamwork and coordination have been improving significantly. People make sure they do the best job and ensure the cleanliness of the plant. The rate of absenteeism has dropped and employees are glad to have the venue to give feedback and suggestions," said Meilany Astining Asih, head of personnel division at PT Mubarakfood Cipta Delicia.

There is also no longer the problem with firewood. With the newly improved warehouse, the wood is dry in one to two weeks, which creates more stable fir speeding up the cooking process and saving 22 per cent of overtime fee. In addition, there have not been any rejected or reworked products. Improved production efficiency gives way to better delivery rate, which has led to increasing order. (*)