

CHAPTER III
COMPANY PROFILE
PT. Kosoema Nanda Putra Klaten

3.1. The Background of the Company

Mr. Soemohartono established P.T. Kosoema Nanda Putra in 1949 at Pencil Village, Podan, Klaten. At that year, company still used ATBM (Alat Tenun Bukan Mesin) in the production process and was still firstly named kosoematex rather than PT. Kosoema Nanda Putra. The name was changed in 1991 when the company has a branch in Jati Mulyo village, Pedan. Even thought the company has changed the name into Kosoema Nanda Textile Company, they still keep using Kosoematex name until now.

Several factors that Mr. Soemohartono established in a weave factory at that time:

1. There is a demand of material cloth from the society that is not fulfilled.
2. To develop industry areas especially for weave industry.
3. To help local government solving unemployment problems, because part of the equipment used in the production process is using human resource.

Around 1960, the company already has 200 units ATBM and hired 500 made several products such as lurik, sarong, stagen (women's waist sash), tablecloth, napkin, long cloth for kebaya.

In 1965, besides using ATBM in the process of production, the company began to use AMT system (Alat mesin tenun). Until 1969, this company had 40 machine units, and started to leave ATBM system in the production process. Consequently, a lot of employees became unemployed because of the efficiency. The products from ATBM system are sarong, blanket, lurik and biaco.

In 1967, when the government applied open political economic policy, a lot of foreign products came to Indonesia including textile product, and this situation made local textile products were in danger. Because of hard competition between local and foreign Textile Company, the demand for local textile was decreasing. To solve this problem, the company is trying to focus on blanket product considering this product has made a bigger profit.

In the middle of 1979, Mr. Soemohartono passed away, and his son Mr. Wahyu Suseno who was very active in helping his father managing business, continue his textile business. The succession has been legalizing by document No. 243.o5.if/if/sub.teks/1979.

In 1991 the company status was improving from private company to public company or PT. called PT. Kosoema Nanda Putra with official document No.04 date February 2, 1991. Since that time, the company director is Mr. Wahyu Suseno, a young dynamic entrepreneur who made PT. Kosoema Nanda Putra became more improving and developing. This is proven from increasing market demand of company product especially in the Solo, Semarang and Yogyakarta.

With increasing demand and competition in the market, in 1991 company start to expand their business by building a branch in Jati Mulyo Village, Pedan. This location is close to the main company, so the company has no problem to supervise the branch. Aided by Mandiri Bank, at the current time, the company has already had 586 machine units and hired 843 numbers of employees.

3.2. Company Location

P.T. Kosoema Nanda Putra is located in Pencil village and Jati Mulyo, Pedan district, in Klaten area. Basically, from several alternatives, the company has probability to develop these areas because it has fulfilled several factors as follow:

1. The price of land is cheap compared to the price in the big city.
2. A lot of human resource and their salary is relatively cheap.
3. Close to highway that makes the transportation in or out to the factory location is easy to reach.
4. Located in the field area, so it does not cause sound pollution.
5. Electrical company (PLN) can reach the location, so the company can get electrical resource to operate the machine and lighting.

3.3. Organizational structure

The general definition of organization is working relationship system between two or more people to reach certain objective. Organizational structure is the relationship between the leadership systems in the organization. Organizational structures in one company generally have several characters; which is, made for a long time, permanent and complex. So, basically organizational structure for the company has a function to explain clearly the job distinction and responsibility of each company employee or each part of company department.

In accordance to the explanation above, PT. Kosoema Nanda Putra has a line organization structure. The company purposes in building organizational structure are as follows.

1. The director of the company can directly supervise the employee activities.
2. There is a distinction in the job description, so each of employees can work well.
3. There is a good relationship between the director and the employee.

If the organizational structure of PT. Kosoema Nanda Putra can be drawn systematically, it can be seen as follows:

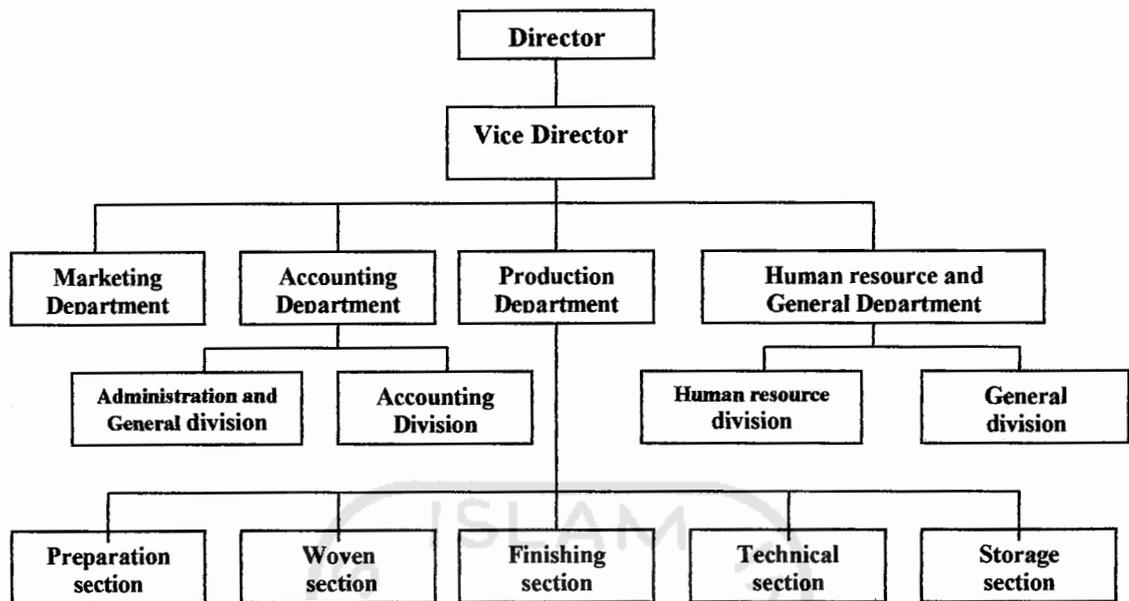


Figure 3.1 Organisation Structure

The job description, responsibilities and authority in PT. Kosoema Nanda Putra are as follow:

1. Director

PT. Kusoema Nanda Putra is led by one director, Mr. Wahyu Suseno. The job description and responsibilities are:

- a. Coordinating, make a job distinction and gives an authority in accordance to each objective of each department
- b. Arranging the relationship between each department in obtaining the company purposes.
- c. Responsible in maintaining the company life and operation.

Authority

- a. To control and arrange organizational structure
- b. To determine the company program to reach objectives.
- c. To assign in certain position and develop employee or official or his assistant in reaching the company objective in each department of the company organization.
- d. To make a research, examine, monitor and control his assistant interest.
- e. To determining and decide the company objectives.
- f. To delegate orders to the assistant in executing the company established policy

2. Human Resource and General Department

Have a duty in:

- a. Arranging work matters in relation with the human resource and employee.
- b. Organizing and arranging the general administration matters
- c. Coordinating with all of department about employee matters.

Authority

- a. To make an own department budget.
- b. To give a guidance, direction and support to the employee
- c. To examine, observe and control the employee matters.

- d. To determine and decide department objectives.

In doing the job, human resource and general department have several divisions, which are:

1. Human Resource Division

- a. Managing the employee administration
- b. Storing, make a preparation about the employee guidance and trying to increase employee productivity.
- c. Observing employee discipline in accordance with the company guidance.

2. Housing Division

Responsible to handle and arrange housekeeping needs and employee prosperity service.

3. Administration Division

Responsible to give official information and public relation

4. Security Division

Responsible to maintain and creating company security.

3. Production Department

Led by production department manager, Mr. Suandi. In the job description, this department has a job in planning and coordinating production process that includes:

- a. Coordinating all of employee activity in the production department.

- b. Making a direction to each section in the process of production
- c. Recording the needs of raw and additional material, numbers of employee and others relating to the process of production.
- d. Supervising the process of making a product and receive report from each section in the process of production.

Production department has five sections, they are:

1. Preparation Section, have job description as follow:

- a. Arranging work schedule in the preparing the production process.
- b. Preparing raw material, additional material and the equipment for the production process.
- c. Responsible in the work of preparation process, production process to the head of production department.
- d. Make a report about the result of preparation process, each day each shift, and has to be reported to the administration department.

Authority

- a. To help manager in the budget preparation or report preparation cost.
- b. To control and supervise preparation process.

2. The job Description of *weaving section* is:

- a. To arrange schedule of weave process.
- b. To make a textile mil between lusi yarn and pakan yarn into a long cloth.
- d. To handle the works of textile mil to the head of production department.
- e. To make a report about the result of work; each day and each sift to administration department.

Authorities

- a. To make a budget arrangement or cost which relate to the textile mile.
- b. To control and supervise the work of textile mil process.

3. *Finishing Division.*

The job of the finishing division is to complete the process of production from textile mil to a finish product. The jobs are as follow:

- a. Arranging the schedule of work.
- b. Preparing the equipment or machine and textile product to became a finish product or cloth.
- c. Being responsible the work results to the head of production department.
- d. Collecting a work report each day and each shift.

Authority

- a. To make a budget planning for finishing department.
- b. To control and supervise finishing works.

4. Technical Division

- a. Prepare diesel machine and electrical resources and also lighting.
- b. Fix and take care of production machine.
- c. Make an administration report to the head of department.

Authority

- a. Make a budget planning or the cost relate to the technical matters.
- b. Coordinate, control and supervise technical work.

5. Storage Section

Responsible to receive and store and also supply raw material using in the production process. After receiving cloth from weaving department, pack and send it to the consumer.

4. Accounting and Finance department

This department is headed by an Accounting and Finance manager Ms. Yuni Istiati, SE. The job descriptions are as follows:

- a. Being decision makers in administration and finance department.

- b. Being a company budget planner.
- c. Supervising in administration and finances matters.
- d. Making a balance sheet, income statement and tax statement.
- e. Reporting periodically the responsibilities of administration and finance to director.

Accounting department has two sections which is:

1. Administration and Finance Section, the jobs are:

- a. Reporting and recording company cash receive and disbursement in each section base on the legal evidence or document.
- b. Reporting and recording company cash receive and disbursement in each section base on the legal evidence or document.
- c. Preparing money for paying salary and expenditure.

2. Accounting Section.

- a. Make an Income statement report and monthly cost of production.
- b. Make a general ledger of account payable and account receivable.
- c. Make a monthly budget realisation.
- d. Make bank statement and company monthly cash flow
- e. Supervise the use of company cost of production.
- f. Make a financial statement.

5. Marketing Department

Responsible to:

1. Arrange marketing budget.
2. Decide the marketing target.
3. Make a market survey
4. Choose the most appropriate distribution channel and the sales methods.

3.4. Company Human Resource.

1. Employee

For the company, employee is the most important factor in the production process. Choosing the right employee will improve company growth. Due to that reason, PT. Kosoema Nanda Putra, use the level of efficiency as a base in hiring employee to get the right and good quality of employee. The company gets its resource from the village around the factory, or from outside area. In operating the business, PT. Kosoema Nanda Putra has several kinds of employee, which is:

a. Permanent Employee

Permanent employee is the employee, which has been hired by company to work permanently. These employees receive monthly salary. There are 14 peoples who work as permanent employee in this company.

b. Daily Employee

Daily employee is the employee who works for the company and receive basic daily salary on the number of days she/he works. The numbers of these employees in the company are 707 people.

c. Stock Employee.

Stock Employee are the employees who works and receive basic salary on the numbers of the product she/he made. The numbers of this employee are 122 peoples.

1. *Employee work hours*

In one day, the length of work in the company is divided into three work hours, they are:

- a. In the morning, at 07.00 until 15.00
- b. In the afternoon from 15.00 until 23.00
- c. In the night, from 23.00 until 07.00

The employee works seven hours a day and thirty minutes of break time and they work six day a week.

2. Employee salary

The salary system is divided in to three systems, which is:

a. Monthly Salary

This system is used for the factory and office employee, such us director, finance and administration department, production department, marketing department, technician and supervisor.

b. Daily Salary

This system is used for the daily employee and will be given in once a week.

c. Stock Salary

This system is used for the operator, kelos, weave and likasan section.

4. *Social guarantee*

Every company wants his employee to work at the best he can do and had a good standard of living. The company is better to motivate his employee, because through the motivation the employee can increase the productivity. One greatest way to increase the employee productivity is by giving social guarantee. This social guarantee is given to the employee in the form of health donation, work insurance, cloth, holiday bonuses, recreation and employee insurance (ASTEK). Beside that, the company gives additional salary (premi) to the employee who works in every day in a week.

3.5. Production Aspect

1. Material

The materials to produce grey cloth are as follows.

a. Raw Material

The raw material used to produce grey cloth is:

- a.1. Lusi yarn rayon no.30, with usage standard is 59.75 gram per cloth meter.
- a.2. Pakan yarn rayon no.30, with usage standard is 60.25 gram per cloth meter.

Hence, for one-meter grey cloth product, it needs 120 gram of rayon yarn no 30. One bale can produce 181,4-kg cloth or 391,3632-meter yarn.

b. Additional material

- b.1. Starch flour used to strengthen yarn with the result that the yarn is easy to weave.
- b.2. TBO oil, so the yarn can easily coloured and starched.
- b.3. Chlorine and tin can stove, to make white yarn and to clean spot from dust.

Equipment (tools)

The equipment used in the process of production are as follow:

a. Wearing loom

It is used to process pakan yarn and lusi yarn become cloth.

b. Skir machine

As a tool to roll the yarn into boom before put into wearing loom.

c. Cone winder

It is used as a tool to roll the yarn into kletek before continuing the process of production using the skir machine

d. Prin winder

The function is a tool to roll pakan yarn to kleting before continue to weaving process using a tube.

e. Diesel machine

The function is as the electrical resource.

f. Comb

It is used as the tools to determine the level of loosed of the production result and to determine the quality of product. This tool gives a code 68.80. Higher code means higher quality, and the result became better, because the process of pakan and lusi yarn plaiting became more solid.

g. Gun

As a tool to help the plaiting process between lusi and pakan yarn.

h. Boom

As a tool to roll lusi yarn that processed with the skir tools before continuing to weave process.

i. Kletek

As a tool to roll lusi yarn before continuing its process using skir tools.

j. Kleting

The function is as a tool to roll pakan yarn to help the weaving process using a tube

k. Tube

As a tool to place kleting which consist of pakan yarn in the weave process.

l. Drowin

Is a tool to put lusi yarn into gun and comb before continuing to weave process.

m. Folding

This machine is used to fold the result of weave process became a ball form, and also to measure the length of cloth at once.

1. Production process.

The process of making grey cloth is divided into three stages, as follow:

a. Preparation stage

There is two processes of production in this stage

1. The process of making lusi yarn

The definition of lusi yarn is the yarn, which stick to the long side of the cloth. First, yarn, which is still in the form of big roll, is washed, and then put into kelos machine. Yarns, which became little roll form, is put into warping machine and made into woven roll boom, and then starched. After starched, the yarns are put into cucuk machine. Cucuk process means

placing each piece of yarn into gun, droper and combed one by one. Gun has function to determine plaited or to determine pakan yarn density level, by opening lusi so that the tube can pass through the yarn in the weave process. Dropper has a function to stop wearing loom if there is broken yarn, while machine were operated, the broken yarn will fall and the machine is stopped by itself. Comb has a function, as a tool to separate between each yarn, so the space between each yarn is the same.

2. *The process of making Pakan yarn*

The definition of pakan yarn is a horizontal series of yarn in the cloth. In this process, the yarns are rolled in the klenting using palet machine. Klenting with pakan yarn inside is put into tube, and put in the pakan yarn in the gaps between cloth.

b. Weaving stage

Lusi yarn, which has been cucuk, and together with pakan yarn are put inside the wearing loom. Wearing loom make a plating process between both of yarn and became a sheet of cloth called grey cloth.

c. Finishing stage

Grey cloths from weave process are put in to fold machine. After that the cloth send directly to the storage as a finishing product.

To get more understanding about the production process, it can be seen from the picture below:

The Process of Lusi Yarn

The Process of Pakan Yarn

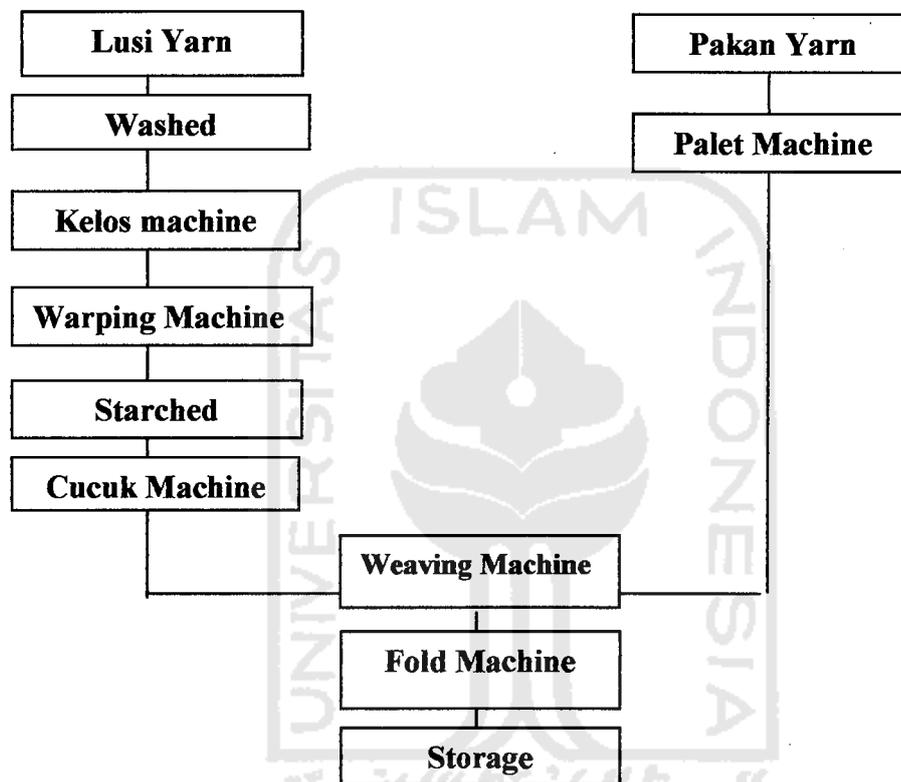


Figure 3.2 Production Process

3.6. Marketing.

1. Product

The product from Kosoema Nanda Textile Company is grey cloth. This company produces grey cloth for a material to make batik cloths, both

stamped batik and hand made batik. For increasing the sales volume, the company always maintains the quality of product.

2. Price

Cost of product sale is usually determined based on cost of production plus a certain percentage as profit.

3. Distribution channel

To distribute company product, PT. Kosoema Nanda Putra uses direct distributing channel and indirect distributing channel. In scheme, distribution channel uses by company can be drawn as follow:

Producer Industrial user

Producer agent Industrial users.

4. Marketing area

With company high growth, the market demand increase from year to year.

PT. Kosoema Nanda Putra sells his product to loyal consumer that is for Batik and printing company.

3.7. Buying Weave yarn material

Kusoema Nanda Putra company buy weave yarn to fulfill the needs of raw material as the main material for making grey cloth. In other words, the buying volume material will be justified with the needs, company not always bought material at the same volume.

These Weave yarn is bought from several yarn spinning company as follow:

1. Patal Secang Magelang
2. Patal Lawang Surabaya
3. Buming Angkasa Tekxtile Industri, Solo
4. Manunggal Adiputra Karanganyar
5. Daya Enggal Bandung

PT. Kosoema Nanda Putra never had any problem in getting the weave yarn as raw material for its product. This is because if there is only a few supply of raw material in the storage, the storage manager will report to the preparation department to make an order of raw material or yarn. After that preparation section report to purchasing department and purchasing department make a cross check to the storage and place an order through phone call to spinning company. After four days, the ordered yarn arrived to the factory.