











International Labour Organization

# **Project Brief**

### Sustaining Competitive and Responsible Enterprises (SCORE) Phase II

#### Development Objective

National institutions are providing, independently from the ILO and donor funding, SCORE training to small and medium sized enterprises to improve their working conditions, productivity and competitiveness.

#### **Key** Partners

- Ministry of Manpower, including Provincial Manpower Offices
- Indonesian Employers' Association (Apindo)
- Trade Union Confederations

#### Duration

2 years (2014 – 2016)

#### Geographical Coverage

Indonesia

#### Donor



Swiss State Secretariat for Economic Affairs (SECO)



Norwegian Agency for Development Cooperation (NORAD)

#### **Budget**

USD 1,396,253 USD

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#### **Project Description**

The Sustaining Competitive and Responsible Enterprises (SCORE) programme is a global technical assistance programme developed by the ILO to support small and medium sized enterprises' (SMEs) development and create decent work. The SCORE programme aims to solve problems faced by SMEs through a short-term training for managers and employees, along with on-site expert consultations and guidance.

The programme philosophy and approach focuses on the belief that good management and improved labour practices lead to higher productivity and better competitiveness. The programme enables participating enterprises to make major improvements in areas such as working conditions, human resource management, environment management and at the same time to promote quality, productivity, and competitiveness of enterprises.

## Project Objectives and Outcomes

The overall objective of the programme is that National

institutions are providing, independently from the ILO and donor funding, SCORE training to SMEs to improve their working conditions, productivity and competitiveness.

To achieve this objective, the SCORE project needs to deliver the following outcomes:

- Build capacity of trade associations and local organization of employers, so as to enable them to independently manage and coordinate the training and consulting services for SMEs.
- Assist local business
   development service providers
   to deliver effective training
   and consulting services for
   workplace upgrading on a
   commercially sustainable
   basis.
- Disseminate progressive workplace practices through mass media together with labour inspection authorities, journalists, international buyers, multi-national companies and local training agencies.

From these outcomes it becomes clear that the SCORE project does not train SMEs itself. It builds the capacity of local organizations to train and coach SMEs through a commercially viable business model.

### The SCORE Training Modules

The SCORE training combines classroom training with on-site enterprise coaching. Each module starts with a two-day workshop facilitated by a trainer to introduce participants to the basic concepts of the topic and to provide them with an opportunity to learn about the various tools that can help them make improvements. During the two days, enterprises develop their enterprise improvement plans.

After the classroom training, trainers conduct enterprise onsite visits to help enterprises to initiate action and implement their action plans. This approach allows the workshop learning to be applied on-the-job and ensures that learning actually translates into action and enterprises start their continuous improvement journey.

#### The Five Modules:

- Module 1: Workplace cooperation
- Module 2: Quality management
- Module 3: Productivity and Cleaner Production
- Module 4: Human Resource Management
- Module 5: Occupational Safety and Health

Each module of the programme builds on the overall theme of SCORE and touches on the principles:

Workplace cooperation:

Workplace cooperation is the underlying principle of the SCORE programme. SCORE believes that the only way to find effective and appropriate solutions to a problem is to

involve all parties affected. This way the exact causes of the problem can be determinated and solutions found that are reasonable for both managers and workers.

- Open communication between workers and managers: Open communication is a key element of workplace cooperation. Effective workplace cooperation cannot take place if workers do not feel comfortable sharing ideas with management. Enterprise improvement first requires creating an environment where workers and managers are able to share ideas and collaborate. This type of dialogue also ensures that workers understand any changes made to production and are more likely to make sure the changes work because they were involved in the process.
- Systems-based approaches to enterprise improvement:

The best way to make changes and improvements is to have a systematic approach that is consistently applied across the enterprise and to use systems that ensure the approach is continuous and not ad hoc. Systems help enterprises plan for future changes and improvement, and allow them to objectively measure their progress.

#### Measuring progress for continuous improvement:

The only way to show improvements is to measure progress. This means using various tools to assess the point of departure and then to regularly measure the affect changes in the enterprise are having on productivity, quality and overall competitiveness. This also ensures continuity in work on enterprise improvement, expanding good management and good labour practices.

#### **Achievements to Date**

- Phase I Launched by the Swiss President, Dorris Leuthard (July 2010).
- All five SCORE training Modules has been adapted and translated into Bahasa Indonesia (2010).
- Strong Public-Private
   Partnership (PPP) collaboration
   with Astra Dharma Bhakti
   Foundation, an CSR
   institution which provide
   SCORE upgrading services to
   automotive SMEs, causing a
   sharp reduction to the ILO SCORE training contribution
   to only 10 per cent (2010 2013).
- The Ministry of Manpower starting to integrate SCORE methodology into their Training portfolio, expand and fund the SCORE trainings activities to five provinces outside Jakarta (Central Java, South Sulawesi, South East Sulawesi, Central Java and Lampung) (2010-2012).
- Completion of trainings for SCORE's trainers in six provinces covering four out of five main training modules of SCORE on workplace cooperation, quality management, productivity and cleaner production and human resources management.
- Indonesia Employers
   Organization (Apindo)
   intergrate SCORE methodolgy
   into the Apindo's SMEs
   programme (2011).
- Five SCORE participating SMEs from Jakarta, Central Java and South East Sulawesi in 2011 and from Lampung and South Sulawesi in 2013, won the "Parama Karya Award" the Indonesia highest Productivity Achievement Award (2012 and 2014).
- Completion of the SCORE Social Marketing Campaign

- in Jakarta and Makassar which had showed an increase in awareness of both management and workers on responsible workplace practices and in working relations as well as communications.
- SCORE methodology and Modules has been put in the Basic Curriculum for New National Productivity instructors training at the National Productivity Training Centre (2012-current).
- Initiated the work collaboration with the Better Work Indonesia (BWI) in increasing the competitiveness of the BWI participating enterprises suppliers (2013).
- Ministry of Manpower expanded and funded the SCORE activities in three new provinces (North Sumatra, Lampung and West Nusa Tenggara) (2014).
- 10 Technical Service Providers are available to organize and conduct the SCORE Training of Enterprises (ToE) throughout Indonesia on the fee basis (2014).
- The SCORE Evaluation and Monitoring (M&E) database system (established in 2012), presenting an overall results of 127 companies registered as participating enterprises of SCORE Indonesia: 60 active instructors; 303 managers (38 per cent) and 492 workers (62 per cent) trained. Around 38 per cent from total managers and workers are female (as of Feb 2015).

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