



"Our legacy system's sluggishness, inflexibility and lack of local support were putting tremendous pressure on our operation. Artha Infotama, a Microsoft Certified Gold Partner, introduced us to the power, adaptability and user-friendly features of Microsoft Dynamics™ GP. Even before the implementation of this enterprise solution was completed, we already reaped a long list of benefits including improved risk management, more accurate projection analyses and timely reporting,"

*Lintong M. Tobing, Controller, PT Jawamanis Rafinasi.*



PT. JAWA MANIS RAFINASI



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Profile

PT Jawamanis Rafinasi (JMR) supplies high-quality refined sugar (known in the industry as “double refined sugar”) to a broad range of industries in Indonesia such as the pharmaceutical, food and beverage industries. Its main customers also include producers of dairy products, confectionery, biscuits and canned fruit.

Jawamanis started its commercial operation in September 2002, and its production facility is rated to produce 500 metric tons of refined sugar per day.

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Industry

Manufacturing



Turning Raw into Refined

The privately-owned Jawamanis Rafinasi (JMR) produces industry-grade refined sugar, which is supplied to food, beverage and pharmaceutical product makers in Indonesia. Its so-called “double-refined sugar” is used particularly in dairy products, confectionery, biscuits and canned fruits. The company obtains the raw material for the refined sugar from a number of local and overseas suppliers.

As refined sugar is still undersupplied in Indonesia, the company has been undergoing rapid growth. To cope with its fast expanding business, it required a simple-to-use, flexible, scalable and highly secured enterprise solution.

Business Challenge

When the refinery was still under construction, the company relied solely on manual accounting. Every transaction was posted in a paper-based general ledger. Consequently, audit became a nightmare. It was time for the company to use accounting software.

The computerization started in 2002, around the time the company began its commercial operation. To bring its accounting up to feet, Jawamanis bought a financial and accounting software package that was simply called “GL”. Immediately, a mismatch became obvious as this software had actually been designed to handle sales with financing while many of the company’s customers chose to pay their invoices in full each time. A major customization was necessary to accommodate both payment methods.

More problematic was the fact that, right from the start, the managers and staff felt that the software was too slow for real use. In addition, it did not offer enough flexibility required for custom data reporting. “We had to depend on the programmers from the software’s Indonesian rep office each time we wanted to change the format of our reports or retrieve specific data,” recalled Lintong M. Tobing, Controller, PT Jawamanis Rafinasi. All the data was stored in SQL and only the programmers knew how to do it.

The lack of responsiveness from the local support was also a major disappointment. There were times his staff had to wait long for the software’s technical support personnel to come to their office or send them the instructions by e-mail before a problem could be solved. Often when Lintong wanted to work out a try balance sheet, his accounting staff had to create it manually. Then, when the company mulled the idea of implementing a distribution module to manage its purchase orders, procurements, sales and inventory, the vendor’s representatives said that they would have to first develop it. “The legacy system’s sluggishness, its inadequate features and the lack of support created a major constraint on our business,” Lintong added, “We were forced to look for an alternative.”

Making the Choice

Lintong had for many years been a user of the more widely-known enterprise solutions from JD Edwards and Oracle, while his superior, Teddy Wirianata, the company’s Director of Risk Management, also had a long experience with a variety of ERP systems. Nevertheless, they all looked at ERP offerings from JD Edwards, Oracle, Microsoft and a local vendor named AccPac to ensure that they were investing in the right solution,

Artha Infotama, a Microsoft Business Solution Provider, recommended Microsoft Dynamics™ GP, formerly known as Microsoft Business Solutions - Great Plains. It is a complete ERP package that would perfectly suit a medium-sized company like Jawamanis. The recommendation happened to be in line with the preference of some of the company’s multinational shareholders, who were more familiar with Microsoft products.

However, it took more than just familiarity to convince the company that Microsoft Dynamics GP would be the best to serve their needs. “To convince us of their recommendation, in March of 2004 Artha Infotama invited a GP consultant from Microsoft Regional Headquarters in Singapore to show us the powerful features of their product,” said Lintong. His team was very pleased with what they saw.

Still, it was not convincing enough. To get additional information, Lintong and his colleagues spent hours searching the Internet for reviews and comparisons of

ERP products to make sure that they would be making the right decision. They took into consideration the size of the required investment, the needed skill level as well as a number of other important factors. Once the team and the management were fully satisfied, they settled for Microsoft Dynamics GP. Artha Infotama was responsible for its implementation.

Beyond Accounting

As shown during the demo, the modules that were already available in the ERP product could be used right away without any time-consuming customization. “During the demo, we were impressed with its Smart List feature,” added Lintong. “This tool contains so many standard reports with access to all the data in the new system. I can also create an unlimited number of additional reports as necessary.”

Speed was another important benefit. While in the past it would take them from 15 to 20 days to complete the end-of-month report, today Lintong is looking to cut it down to only three days. Easy access to data in the purchasing, warehouse, etc. makes him feel as if he now had more people working for him. This allows him to gradually change the role of his subordinates from data entry clerks to analysts and assign them the task of reviewing the figures from the divisions.

The new enterprise system has alerts facilities as well. Controls and messages can be set up to automatically notify the relevant officers if something happens in relation to aging, collection, etc., and this simplifies Account Receivables and Account Payables tasks.

Today, around 20 users are using the new system on a daily basis. “Our mission is to establish Good Corporate Governance through what we call ‘TAD’--Timeliness of reports, Accuracy of data and Discipline in following our standard procedures,” said Lintong.

However, Microsoft Dynamics GP is much more than just an accounting package. Today top management is already benefiting from the features of the modules that have already been implemented. “We now have the ability to perform really useful analyses, make more informed sales projection, improve inventory control, plan our purchase schedules, track market price and competition in addition to managing our risks,” said Teddy. Microsoft Dynamics GP stores all the data centrally, ensuring that its users get real-time data all the time.

“Being foreign investors, the majority of our shareholders always have Good Corporate Governance in the back of their mind. Now that our new system has an audit trail, it is no longer a concern,” added Teddy.

As he saw it, there were other benefits that Microsoft Dynamics GP offered besides its Microsoft Office’s look and feel. “If I wanted to perform a simulation, I just need to export the data from a GP report into Excel or any other spreadsheet,” he said. Other products may require him to copy and paste the numbers into the spreadsheet, he added. The templates are also forward compatible, so that when it is time for Jawamanis to upgrade the system they will not have to create new ones.

In the final analysis, both Teddy and Lintong were more than convinced that it was an investment that was worth every dollar spent. “With all the features, the ease of use and the top-notch support, we have found that Microsoft Dynamics GP offers the best value for money,” said Teddy.

A Partner that Stays

“We took an objective approach when choosing a partner to implement Microsoft Dynamics GP. We were happy with Artha Infotama’s track record and found out that it had received a lot of awards from Microsoft,” said Lintong. “More important, we have been speaking the same language, and this has helped ensure timely project completion.”

Artha Infotama did a thorough business process analysis and prepared a careful system lifecycle. The implementation phase started in July 2004 and the system’s go live took place in November 2004. Both the old and the new systems ran in parallel for some time to completely ensure that everything went well. “What has delighted us most in working with Artha Infotama is their responsiveness. They help us protect our investment and make sure that we get the expected value from it,” concluded Lintong.

Solution Overview



Scenario

Microsoft Dynamics GP Used By PT Jawamanis Rafinasi:

Microsoft Dynamics GP (Business Intelligence, Key Performance Indicators, Financial Management, Supply Chain Management, FRx Reporting, VAT Controller, Risk Management Analysis)

Microsoft Certified Partner:

PT Artha Infotama

PT Artha Infotama is a fast growing IT company and a Microsoft Certified Gold Partner with strong competencies in Microsoft Business Solutions (Microsoft Dynamics GP, Microsoft Dynamics™ CRM), Data Management Solutions (Business Intelligence), Information Worker Solutions (Knowledge Management, Real time Communication and Collaboration) and OEM Hardware solutions.

We also provide services including software licensing services, implementation/migration/consultation/troubleshooting services, outsourcing and maintenance services both for hardware and software and training services.

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