



PT Wijaya Karya Beton

Standards achieving excellence in concrete production

PT Wijaya Karya Beton (WIKABETON) is one of the subsidiaries of PT Wijaya Karya (Persero) – Tbk (WIKA), an Indonesian conglomerate active in the construction, industrial, mechanical, electrical, real estate and trading businesses. WIKABETON is the Indonesian market leader in pre-cast concrete manufacturing and covers a broad product range.

Company name: PT Wijaya Karya (WIKABETON)

Country: Indonesia

Industry: Construction & construction materials

No. of employees: 911

Revenues/profits:

IDR 244.5 billion/IDR 17.5 billion
(USD 26.9 million/USD 1.9 million)
(in 2009)*

Main products/services:

Concrete structures used in construction, such as pre-stressed concrete poles for power distribution lines and PC piles, concrete open channels, concrete railway sleepers, bridge girders, sheet piles, pipes, platform slabs and a variety of building components.

Main use of standards:

- Research and development/engineering
- Procurement of raw materials
- Testing of final product
- Management of operations/production
- Sales, marketing and communication with customers

Most important standards used:

- ISO 9001:2008, *Quality management systems*



- OHSAS 18001:2007, *Occupational health and safety management systems*
- Various ASTM standards related to concrete and cement
- Various Japanese industrial standards (JISC) on steel and steel wires
- Indonesian national standards (SNI) on concrete
- Standards of the American Cement Institute (ACI)

Economic benefits generated by standards: IDR 1.05 billion (USD 115 000) (annually), which amounts to 0.43 % of the annual sales revenue and close to 6 % of the annual EBIT.

Key qualitative benefits: A unified management system allows for high-quality operations, resulting in increased customer confidence.

What were the major benefits for PT Wijaya Karya of using standards ?

Using standards allowed PT Wijaya Karya to :

- Improve its evaluation and selection process for suppliers
- Save resources and optimize outcomes in research and development
- Optimize information transfer through unified specifications and harmonized information capture
- Ensure high-quality supplies
- Optimize production processes
- Obtain benefits in sales negotiations by reference to standards, and avoid misunderstandings

These benefits translated into an annual contribution of approximately IDR 1.05 billion (USD 115 000) to company gross profits.

How did standards lead to these benefits ?

Under a unified quality management system based on ISO 9001, the operations of different business functions were integrated and optimized. Particularly relevant are the time savings in the engineering business function due to the dissemination of standardized information (e.g. for material specifications, process specifications and standardization of the product). This information is also used to define better working instructions and operational procedures, leading to the increased efficiency of several production processes. Such developments have also helped to achieve higher product quality, boosting both customer confidence and sales revenues.

* IDR 1 = USD 0.00011 (2009-12-31)