

# Makin Group



## Solomon Case Study — Manufacturing

**S**ince acquiring Solomon IV®, the Makin Group has been enjoying increasing cost and timesavings. Solomon's latest accounting software, designed exclusively for Microsoft® BackOffice® technologies, enables automated inter-company transactions, and accelerated reporting and user response time. Microsoft SQL™ Server 7.0 provides the horsepower for this scalable solution that has opened up major growth opportunities for the Makin Group.



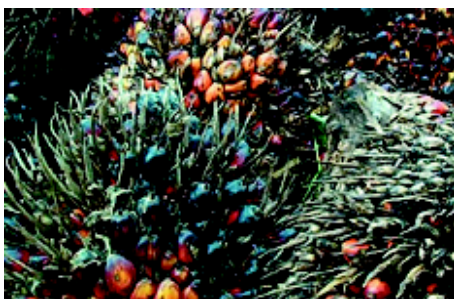
The Makin Group comprises a group of companies whose core business is exploiting natural resources. The companies operate in East and Central

Indonesia. The holding company of the Group is PT Matahari Kahuripan Indonesia, which was established in 1993.

There are two operating divisions in PT Matahari Kahuripan Indonesia. Both divisions manage business units and subsidiary companies under the Group. The manufacturing division is involved in extracting raw materials such as plywood, natural marble and crude palm oil, while the agro-business division focuses on palm, industrial plants and logging, and fruit.

### Seeking A Global Business Solution

Before implementing Solomon IV®, the Makin Group was using an in-house DOS-based application. The system was unstable and frequently required IT support and expertise to solve operational problems.



Said Mr Yanes Bahari, the Makin Group's IT/MIS Supervisor: "Our former system was difficult to maintain and could not be modified to adapt to our current business needs. The system had to be installed separately in each branch office and required substantial IS support services. Financial information had to be consolidated into a centralized database every month and the information was always outdated."

Increasingly, the Makin Group began to see the need for a Microsoft-based system. Said Mr Bahari: "We knew that a Microsoft-based system is user-friendly, powerful and cost-effective. It also makes it easier to maintain our IT resources."

The Makin Group began its search for an accounting solution that could meet three vital criteria. Firstly, they needed a solution that could fulfill its present and future business requirements.

"The application had to be reliable, as well as suited to meet our current and future business needs," said Mr Bahari. "More than just a software, we were looking for business functionalities, product features, flexibility, customization, and consultants who could implement the system. In other words, we were expecting a global business solution."

Secondly, as the Makin Group has several offices and divisions, the solution had to be integrated with multiple systems. The software must also offer consolidation capabilities to release accurate and reliable reports for every division.

Finally, the Makin Group needed greater accuracy, control and reliability across the companies. The solution must allow the Group to enforce budgetary control over inventory procurements to ensure smooth audit trail and data security.

### Making The Right Choice

After evaluating several alternatives, the Makin Group was convinced that Solomon IV® was the right choice. According to Mr Bahari, the following factors were taken into

## Solution Overview

### Company Profile

The core business of the Makin Group is exploiting natural resources in East and Central Indonesia. The Group's holding company is PT Matahari Kahuripan Indonesia, which has two operating divisions. Both divisions manage business units and subsidiary companies. The manufacturing division is involved in extracting raw materials such as plywood, natural marble and crude palm oil, while the agro-business division focuses on palm, industrial plants and logging, and fruit.

### Situation

Before acquiring Solomon IV, the Makin Group was using an in-house, DOS-based application that was hard to maintain and required substantial IS support services. The application was installed separately at each office location. As a result, the financial data had to be consolidated into a centralized database every month, and the information was always outdated. Furthermore, the software could not be modified to meet the Group's current and future needs. The Group required a Microsoft-based system that could be integrated with multiple systems and offered strong consolidation capabilities. Overall, the Makin Group was looking for a global business solution that encompassed business functionalities, customizable product features, and consultants who could implement the system.

### Business Solution

Solomon's value-added reseller in Indonesia, PT Graha Technosoft, took four months to implement the following modules: General Ledger, Accounts Payable, Accounts Receivable, Cash Manager, Currency Manager, Purchasing, Inventory and Advanced Financial Report Extender. The installation was successfully conducted in seven phases.

### Benefits

Makin Group has enjoyed wide-ranging benefits from ease of deployment, modification and acceptance, to lower total costs of ownership. Other

consideration when the Group made the selection:

**Migration to a Windows-based accounting system:** “We selected the Windows operating system because the most advanced accounting system developments were taking place in this environment,” Mr Bahari explained. “Also, we felt that the familiar Windows interface would reduce training and support requirements at the branch offices, and in turn, lower implementation costs.”

**Centralizing data:** The Makin Group wanted to centralize all the financial and purchasing systems in one location in Jakarta, so as to make system maintenance easier and cheaper. Because all transactions are maintained in one location, data accuracy and availability are guaranteed. Furthermore, the Makin Group sister companies are located across Indonesia with some in very remote locations. The Solomon architecture combined with Citrix allows users from any location outside Jakarta to run the application efficiently via satellite.

**Linking all offices:** Solomon IV®, which runs on Microsoft SQL Server 7.0, is a cost-effective, open-architecture solution. It provides a central database that is accessible over a WAN that links all the branch offices and headquarters. The software’s modular design makes for easy customization and provides a solid platform for future applications.

**Greater control:** Solomon can be adapted to meet the specific requirements of the Makin Group’s business activities. For example, the control of materials usage is very important for managing a plantation. Said Mr Bahari: “With the flexibility to handle sub-accounts with Solomon IV®, we can now monitor the usage of materials like fertilizers and pesticides, and calculate profit and loss right down to the smallest unit of plantation area.

“Moreover, we can add and customize features such as screens and reports to suit our business model. The software also has a user-friendly interface, uses a popular database, and is definitely easy to maintain.”

**Flexibility:** The Makin Group’s approval and messaging system for monitoring workflow was developed using Lotus Notes. Solomon offers the flexibility to link this system with the financial and purchasing system.

## Smooth Migration

It took four months for PT Graha Technosoft, Solomon’s value-added reseller in Indonesia, to complete the implementation of the following modules: General Ledger, Accounts Payable, Accounts Receivable, Cash Manager, Currency Manager, Purchasing, Inventory and Advanced Financial Report Extender (FRx).

Said Mr Bahari: “We implemented Solomon IV with great success.” The installation was conducted in seven phases: implementation workshop, system definition and data preparation, environmental development, module training, implementation preparation, going live and providing ongoing support.

## Boosting Overall Performance

The new system, which is written in Microsoft Visual Basic®, offers many advantages. Said Yanes Bahari: “In fact, all along we have realized the benefits of using industry standard technology — from ease of deployment, modification and acceptance, to lower total costs of ownership by adding off-the-shelf applications as we need them.”

According to Mr Bahari, the Makin Group has enjoyed substantial increases in productivity. “SQL Server 7.0 provides substantially faster reporting and user response time. By automatically performing inter-company transactions, Solomon IV® eliminates costly errors in consolidating reports from the branch offices,” he said.

“We have also managed to lower costs since setting up the centralized system in Jakarta. The IS resources needed and expenses incurred have been reduced. It is also much more convenient and efficient to manage and maintain the system from a single place.”

With Seagate Crystal Report Writer and FRx, the Makin Group staff enjoy better reporting, and improved reliability and data accuracy. The staff can leverage on FRx, Solomon IV®’s financial reporting application, to get customized financial and management reports.

Said Mr Bahari: “FRx gives our staff the information they need, when they need it, to make challenging management decisions. And Crystal Report Writer provides powerful reporting and querying capabilities that enable our staff to easily select, analyze, summarize and present data. Since both Crystal and FRx are industry standard tools that are widely used and easy to deploy, this has helped us to lower training implementation costs substantially.”

Furthermore, Solomon IV® automatically tracks accounting/financial information, so the staff need to do less manual work. The system is also more integrated with the Makin Group’s business processes as the software modules have been tailored to meet its needs.

**Yanes Bahari**  
IT/MIS Supervisor  
Makin Group

advantages are increased productivity, reliability and data accuracy, as well as substantially faster reporting and user response time. Since the Group set up a centralized financial and purchasing system in Jakarta, the expenses and maintenance costs have also decreased considerably. Now it is more convenient and efficient to manage and maintain the system from a single location. Users at any branch office outside Jakarta can easily run the application via satellite. Furthermore, Solomon IV®’s modular design makes for easy customization and provides an ideal platform for future applications. The software can be adapted to meet the specific requirements of the Makin Group’s business activities in the short and long term.

## For More Information

### About Solomon Software

For more information on Solomon business management and e-business applications, call (65) 224 6795 or visit [www.solomon.com.sg](http://www.solomon.com.sg)

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### Solomon IV® Software Used

General Ledger  
Accounts Payable  
Accounts Receivable  
Cash Manager  
Currency Manager  
Purchasing  
Inventory  
Advanced Financial Report Extender



For more information on Solomon IV®, contact:

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