

Sustainable Development in Central America and the Dominican Republic

Company: Arboleda C por A
Country: The Dominican Republic
Project: TMF Program: Poverty Reduction and Environmental Improvement.
An Integral Sustainable Development Strategy.
Year: 2006

THE COMPANY

Arboleda C por A was founded in 1985 by Mr. Juan Heriberto Pérez Arboleda. Originally, the company commercialized aluminum doors and windows, and then it started the manufacturing of diverse products in glass and metal for the construction sector.

Later on, the company moved into new lines of business such as:

- Commercialization of products for hospitals (coating materials).
- Commercialization of products for hotels (electronic locks, safe deposit boxes, electric energy saving systems, etc.)

The incursion on these new business lines implied that the company acquired the representation of international brands like SAFE-PLACE, TIMELOX, ENKOA, KEWANEE, BELCO, amongst others.

Currently, the company has 120 employees.

Products and markets

The company has five divisions:



- Arboleda metallurgy: manufacturing of metallurgical architectonics in stainless steel and steel.
- Arboleda C por A: manufacturing of all kinds of systems in glass.
- Arboleda Raynears: manufacturing of crystal-like inclosures in aluminum and glass.
- Arboleda HPS: technological solutions for the hotel sector (electronic locks, safe deposit boxes, energy savers, ect.).
- Arboleda Import: importation and exportation of products for the construction and hospital areas.

PROJECT DESCRIPTION

The methodology to implement the Sustainability Strategy in the company started with the conceptualizing of the sustainable development system –at which stage an organizational diagnosis took place to determine its sustainability profile, as well as its options for improvement in the following dimensions: environmental, economic, and social.



Later on, the company's strategic guidelines were defined within the sustainable development frame, and the action plans in each of the dimensions were established – as well as indicators and monitoring mechanisms to guarantee compliance of the strategic established objectives.

Subsequently, training and technical assistance were provided to support the company in implementing the action plans. This way, it was intended to fulfill the transfer of knowledge to the organization; and also, the follow up oriented towards the achievement of the expected results was developed.

MAIN ATTAINED RESULTS

Strategies, policies and plans

New approaches were defined within the company's strategic framework:


COMPANY'S MISSION



We focus on the design, manufacturing and commercialization of products for the architectural finishing, with the goal of satisfying our clients' needs by providing them the highest quality innovating products with service that is professional, responsible and efficient that guarantees their satisfaction and loyalty; granting technological solutions to enhance our country's competitive development and make a commitment with society and the environment.




COMPANY'S VISION

Consolidate the leadership of the *Arboleda* enterprise group in the national market and expand our coverage to the international market – bringing to an excellence degree our commitment to innovation and the quality the products and services we offer by complying with international standards, favoring our collaborators integral development through strategies that ensure them a better standard of living; and contributing with the country's sustainable competitiveness.

ECONOMIC DIMENSION	
Initial diagnosis	Achieved improvements
Accounting records	
<p>Need to implement improvements in the accounting records, inventory control and register, invoices and pro forma invoices, and fixed assets.</p> <p>Difficulty to differentiate the information in each of the divisions separately to be able to recognize profitability.</p>	<ul style="list-style-type: none"> • Improvements in accounting practices: <ul style="list-style-type: none"> - Accounting records were agreed and reclassified. - Optimizing of the process for inventories quantification. - Information availability from real invoicing – documentarily supported. - Implementation of the internal auditor figure to control, follow-up and improve processes. - Identification and quantification of fixed assets. - Establishment of an auxiliary register of fixed assets. • Design and implementation of the invoicing system. • Accounting personnel with better skills on the business’ management. • Accounting registers by business unit. • Communication improvement between the accountant and the company’s management.
Inventories control and purchases and storage	
There is no adequate inventory system.	<p>General inventorying of the company.</p> <p>Articles codifications.</p> <p>Periodic products’ audits.</p>
There are mistakes in the purchases orders.	Definition and establishment of relevant information the purchase order must contain.
<p>Lack of clear processes to manage purchases, inventories and storage tasks.</p> 	<p>Establishment of the purchase procedure, as well as articles entrance and exit to/from the warehouses. This procedure was jointly defined and documented with personnel to ensure their understanding.</p> <p>Systematization of the purchases processes, entrance and exit from the warehouses.</p> <p>Training was provided to personnel in the subject of inventory and warehouses management.</p>
Clients’ satisfaction	
Lack of mechanisms to monitor customers’ satisfaction.	Devise and validation of an instrument to assess and monitor customers’ satisfaction.
Strategy monitoring	
Lack of mechanisms to control the compliance of strategic objectives.	Implementation of a series of indicators to monitor the compliance of strategic objectives.

ENVIRONMENTAL DIMENSION	
Initial Diagnosis	Achieved Improvements
<p>With the aspiration to improve the efficiency in the use of the company's resources, work was done to improve in the production area.</p> <p>Workshops were done to identify the processing area's problems and their causes. For the implementation of measures priority was given to those aspects of major implication in the company's production.</p>	
Cleaner production	
<p>Need to sensitize and train personnel on the importance of the adequate use of resources and environmental protection.</p>	<p>Training was provided on Cleaner Production, and the following topics:</p> <ul style="list-style-type: none"> ▪ Integral Sustainable Development ▪ Environmental costs ▪ Cleaner Production Methodology ▪ Residual production materials ▪ Cleaner Production Cycle ▪ Requirements and advantages of the implementation 
<p>Lack of follow up and control of the company's productive management.</p>	<ul style="list-style-type: none"> ▪ Indicators were established to monitor the company's management and the efficiency in Cleaner Production measures.
Productive Process	
<p>Tasks duplicity and delays in production orders due to budgeting mistakes. This occurs, mostly, due to personnel's lack of concentration.</p>	<ul style="list-style-type: none"> ▪ New air spaces were made to improve the working environment conditions. ▪ Schedules for calculations and requests were established with the purpose of avoiding interruptions.
<p>Delays in production due to insufficient data to fill out the production order.</p>	<ul style="list-style-type: none"> ▪ The responsibility to do the glass templates was assigned to the glass department. ▪ A bulletin board with work orders in the process was organized as well as their status. 
<p>Delays in production due to materials supply problems, and inventory ignorance.</p>	<ul style="list-style-type: none"> ▪ The person in charge of the purchases process was appointed and trained. ▪ Improvements were made regarding documentation. ▪ Materials entrance and take out procedures were established, as well as materials requests. ▪ Minimal needs were defined for the process and storage areas.

Initial Diagnosis	Achieved Improvements
<p>Glass damages and breakage in the transportation process.</p>	<ul style="list-style-type: none"> ▪ Glass carriers were strengthened.
<p>Risk that stored glass breaks due to the lack of preventive measures. Besides the problem of material loss; this risk could cause personnel injuries.</p> 	<ul style="list-style-type: none"> ▪ Management acknowledges the current risk and established mitigating measures.
<p>Delays in production due to lack of equipment and tools.</p>	<ul style="list-style-type: none"> ▪ Tools and materials needed for each work area were assigned.

SOCIAL DIMENSION	
Initial Diagnosis	Achieved Improvements
<p>Need to improve the Human Resources management and the competences of the person in charge of human resources.</p>	<p>Following a work dynamic characterized by “learning by doing”, the counter part was instructed in the following topics: better practices regarding human resources management – taking into account their diverse sub-systems.</p>
<p>Need to define a new organizational structure.</p>	<ul style="list-style-type: none"> • Participants were instructed in the need to gather information regarding the different activities developed in the organization. • Complete information for all company positions was gathered. • The structuring of a new organizational chart and the corresponding positions handbook was established.



Initial Diagnosis	Achieved Improvements
There is no improvement plan for the human resources processes.	<ul style="list-style-type: none"> The general guidelines were established for the development of an adequate human resources management considering: position definition, recruiting and selection, training, performance assessment, compensation schemes and an organizational climate diagnosis.
Need to promote change management.	<ul style="list-style-type: none"> A speech was given to all plant personnel regarding the importance of the change processes with the goal of creating openness for the improvements that the company will continue to implement. During the same speech, the new strategic framework was diffused (mission and vision) for the entire organization to learn about it.

Phrase by the Entrepreneur

“I consider very positive the organizational process our company went under, which was characterized by the professionalism – evident at all times- by the CEGESTI team. It is vital for our country’s development to continue having access to these programs that lead us to a better level of competitiveness.”

Jose Ramon Guerrero
General Manager
ARBOLEDA C POR A

