

Analysis of Inventory Control of Wheat Flour Raw Materials Using the Economic Order Quantity (EOQ) Method in Mak Enak Peanut Cake Business in Jember Regency

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ABSTRACT

This research is a quantitative descriptive type of research with the aim of analyzing the comparison of wheat flour raw material inventory control systems using conventional company methods and the Economic Order Quantity (EOQ) method. The company implements raw material management by purchasing raw materials from warehouses that are running low or running low. The company does not have a safety stock and a reorder point so that it can result in a shortage or shortage of raw materials. The method used in this study is the Economic Order Quantity (EOQ) method with 5 analysis techniques namely optimal raw material purchasing (EOQ), order frequency, safety stock, reorder point and total inventory cost (TIC). The data used is Mak Enak's production data in 2022. The results show that in 2022 Mak Enak purchases 17,500 kg of raw materials with an order quantity of 715 kg and orders 24 times a year and a total inventory cost of Rp. 2.314.356. Meanwhile, using the EOQ method, an order quantity of 1,278 kg is obtained with 13 orders a year. The safety stock that must be available is 71 kg by ordering again when the raw material is at the 121 kg point. The total cost of inventory incurred using the EOQ method is Rp. 1.150.041. This shows that the calculation using the EOQ method is more efficient, namely it can save inventory costs of Rp. 1.164.315.

Keywords: Wheat Flour, Inventory Control, EOQ, Mak Enak.