Analysis of Chicken Meat Raw Material Control Using the Economic Order Quantity (EOQ) Method at UD Abon Melati in Jember Regency

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ABSTRACT

UD Abon Melati is an agro-industrial business that processes chicken meat into shredded chicken, which is located on Taman Gading street, AD Block No. 14, Tumpengsari, Tegal Besar, Kaliwates District, Jember Regency. The purpose of this analysis is to analyze the raw material control of chicken meat at UD Abon Melati. This type of research is descriptive quantitative. The method used is the Economic Order Quantity (EOQ) using 5 analytical techniques, namely analysis of optimal raw material purchases, purchase frequency, safety stock, reorder points, and total inventory costs. Based on the results of the analysis using the EOQ method, the optimal number of orders for chicken meat raw materials at UD Abon Melati is 268 kg of chicken meat, with a purchase frequency of 18 times a year by reordering raw materials if the remaining inventory is 125 kg at the warehouse with a total inventory cost raw materials that must be issued amounting to Rp 193,073,313. This number shows that the EOQ method is more efficient and optimal because it can save costs of Rp 25,176,313 compared to using the company's current method.

Keywords: Inventory Control, Chicken Shredded Raw Materials, Economic Order Quantity