

**ANALYSIS OF THE APPLICATION OF *ACTIVITY BASED
MANAGEMENT* IN IMPROVING EFFICIENCY IN PDAM TIRTA
MAHAMERU LUMAJANG REGENCY**

Endro Sugiartono,S.E.,MM

Nisya Khoirun Umma

Public Sector Accounting Study Program

Business Majors

ABSTRACT

This study aims to determine and analyze the activities in PDAM Tirta Mahameru Lumajang using the *Activity Based Management method*. This type of research uses descriptive qualitative methods. The data collection technique used is the documentation of data related to the production and distribution process. Data analysis techniques used by identifying activities in PDAM Tirta Mahameru Lumajang Regency include, identifying activities, analyzing cost triggers, charging costs to each activity, measuring activity performance to increase efficiency. The results of research from the application of the *Activity Based Management* (ABM) method at the Regional Drinking Water Company (PDAM) Tirta Mahameru, Lumajang Regency found activities that were not value-added, causing waste of costs or it could be said that the costs incurred by the company became inefficient.

Keywords: *Activity Based Management*, **Non-Value Added Activities**, **Efficiency**.