THE ANALYSIS OF RAW MATERIAL SUPPLY CONTROL USING ECONOMIC ORDER QUANTITY (EOQ) AT MIE UJANG JEMBER REGENCY

Ardhitya Alam Wiguna, SE, MM as supervisor Dr. Dhanang Eka Putra, SP, M.Sc as examiner

Dinda Andrianti

Agroindustry Management Study Program Agribusiness Management Department

ABSTRACT

Mie Ujang is an agroindustry business situated in Kaca Piring 3 Street Number 110, Gebang Tunggul, Patrang Sub-district, Jember Regency. This business produces four kinds of product consist of regular-quality wet noodles, superquality wet noodles, dumpling skin, and siomay skin. This research was aimed to determine the amount of optimum flour raw material stock needs to be fulfilled by Mie Ujang, when is the right time to do reorder flour raw material and the optimum total order cost to get flour raw material. The analysis tools used in this research were EOQ (Economic Order Quantity) consisted of Q (Quantity) calculation to know the amount of optimum raw material order, ROP (Reorder Point) analysis tool to know when is the right time to do raw material reorder, Safety Stock analysis tool to know the safety stock and TIC (Total Inventory Cost) to calculate raw material total order cost. Based on the analysis result using EOQ Method, the amount of optimum raw material was 18.334 kg with 11 times as the purchasing frequency in a year with the reorder when the stock reach 3.479 kg with Rp. 18.150.895 as the total stock cost.

Key Words: Supply, Raw Material, Economic Order Quantity