

**ANALYSIS OF RAW MATERIAL INVENTORY CONTROL
MILKFISH WITH ECONOMIC ORDER QUANTITY (EOQ) METHOD IN
BANDENG PRESTO BU SITI PASURUAN DISTRICT**
(Dyah Kusuma Wardani, S.ST., MM. *as Supervising Lecturer*)

Nenez Octa Sabina
*Agroindustry Management Study Program
Department of Agribusiness Management*

ABSTRACT

UMKM Bandeng Presto Bu Siti is a milkfish processing business unit established in 2010 and located in Wringinanom Hamlet, Pandaan District, Pasuruan Regency, East Java. This business focuses on the production of fried presto milkfish. The main problem faced is that the raw material inventory control system has not been implemented, so that the procurement of raw materials is still done by estimation and causes inefficiencies, such as the occurrence of excess inventory. This study aims to analyze the optimal management of raw material inventory using the Economic Order Quantity (EOQ) method in 2024. The analysis is carried out on the optimal order quantity, reorder point, order frequency, amount of safety stock, and total inventory cost. The results showed that the optimal amount of raw material purchases was 1,374 kg with an order frequency of 11 times a year. The reorder point is set when the inventory reaches 674 kg, and the recommended amount of safety stock is 625 kg. The total inventory cost incurred during 2024 based on the EOQ method is IDR 1,618,155. Thus, the application of the EOQ method can help MSMEs in optimizing the procurement of raw materials efficiently and measurably.

Keywords: UMKM, inventory control, EOQ, raw materials, presto milkfish, inventory