## Analysis of Wheat Flour Raw Material Control Using the Economic Order Quantity (EOQ) Method at the UD Murdani Mandiri Bread Company in Jember Regency

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## ABSTRACT

This study aims to identify and analyze the optimal amount of wheat flour raw material inventory, to identify and analyze when to reorder (ROP) wheat flour raw materials, to identify and analyze the total amount of wheat flour raw material inventory that must be issued by UD Murdani Mandiri.

The problem faced by the company is that there is no raw material inventory control system that is calculated properly so that it has not run optimally. The sales of banana balls previously became the company's reference for purchasing raw materials. With the fluctuating demand for products due to the Pre Order system that has been implemented previously, it is difficult for the company to calculate how much raw material needs. This type of research is descriptive research with quantitative methods. Based on the results of the analysis using the EOQ method with the data used in 2020, the optimal number of orders for raw materials is 514 Kg flour with a purchase frequency of 7 times in one year with a 50 day reorder cycle and shows that reordering can be done when the ingredients available raw flour 132,816 Kg with a total cost of raw material inventory of Rp 384,543.6

*Key Words* : *Inventory Control, EOQ (Economic Order Quantity)*