COMPARATIVE ANALYSIS OF COST OF GOODS MANUFACTURED CALCULATIONS USING THE BUSINESS METHOD AND THE FULL COSTING METHOD AT TAPE MAYANGSARI BUSINESS IN JEMBER REGENCY

Dr. Tanti Kustiari, S.Sos, M.Si As Chief Counselor

Anggun Santiya Dera
Study program of Agroindustry Management
Departement of Agribusiness Management

ABSTRACT

This study aims to analyze the cost of production calculation applied by Tape Mayangsari, calculate the cost of production using the full costing method, and compare the results between the company's method and the full costing method. The research was conducted at Tape Mayangsari, located in Mayang District, Jember Regency. This study employed a quantitative descriptive approach with a case study method. Data were collected through observation, interviews, documentation, and recording of production costs during the research period. Data analysis was carried out by identifying and classifying all production costs into direct material costs, direct labor costs, variable factory overhead costs, and fixed factory overhead costs based on the full costing method. The results showed that the cost of production calculated using the company's method was Rp4,190 per box with a total production cost of Rp493,816,000. Meanwhile, the full costing method resulted in a cost of production of Rp4,300 per box with a total production cost of Rp506,745,500. The difference amounted to Rp110 per box or 2.63%. This difference was caused by several factory overhead costs that had not been fully included in the company's calculation method, particularly electricity costs, water costs, and depreciation of fixed assets. Therefore, the full costing method provides a more comprehensive and accurate calculation of the cost of production and can be used as a basis for determining selling prices and making better business decisions.

Keywords: cost of production, full costing, production cost, factory overhead cost, cassava fermented product.