

***THE ANALYSIS OF RAW MATERIAL SUPPLY CONTROL USING
ECONOMIC ORDER QUANTITY (EOQ) METHOD
AT LAYLA BAKERY JEMBER REGENCY
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ABSTRACT

Layla Bakery is an agroindustry business situated in Ambulu street Number 110, Balung Sub-district, Jember Regency. This business produces consist of banana bread, donuts, plain bread, comb bread and others. This research was aims to determine the optimal amount of flour raw material inventory that Layla Bakery should do, when is the right time to reorder flour raw materials and what is the optimal total cost of ordering for the procurement of flour raw materials. The analytical tool used in this research is EOQ (Economic Order Quantity) which includes the calculation of Quantity to determine the optimal number of raw material orders, ROP (Reorder Point) analysis tool to find out when is the right time to order raw materials back, safety analysis tools. Stock to determine safety stock and TIC (Total Inventory Cost) to calculate raw material total order cost. Based on the results of the analysis using the EOQ method, the amount of optimum raw materials was 3.179 kg with 18 times as the purchasing frequency in a year with reorder when the stock reach 704 kg with a total inventory cost of Rp. 351.827.600.

Keywords: Supply, Raw Material, Economic Order Quantity (EOQ)