

ABSTRACT

Raw material plays an important role in the activities of production companies. Many companies or industries such as manufacturing and trading companies are facing problems or challenges in controlling the procurement of raw materials. This research was conducted at CV. Vannisa which is the domestic industry that is rapidly growing but has not been efficient in controlling the supply of raw material. This industry is engaged in culinary and the main production is brownies. This study aims to determine the number and frequency of optimal ordering raw materials by using EOQ method, to determine the total inventory cost of raw material of the granulated sugar, the flour and eggs before and after using the EOQ method.

This research using a method of Economic Order Quantity (EOQ) to determine the amount of inventory optimally. By using this method, it can be known how much the quantity of fixed ordering and optimal ordering frequency number. The type of research is descriptive quantitative reserach. Data analysis technique which used in this research is to calculate the quantitative data obtained by the calculation method of EOQ. After that, the calculation results described descriptively to determine the quantity and frequency of optimal order and total inventory costs for the raw materials of the sugar, the flour and eggs at CV. Vannisa in 2014.

Based on company policy, the total inventory costs were Rp.1.584.251,39 for the sugar, Rp.1.584.262,85 for the flour, and Rp.736.274,48 for eggs. Whereas on the basis of the results of research conducted, the total costs of the inventory using the EOQ method were Rp.940.512,74 for the sugar, Rp.940.732,56 for the flour and Rp.189.634,32 for eggs.

The cost that can be saved by using the method of EOQ is Rp.1.833.909,1 for a total inventory cost on three of raw materials or equal to 46,96% so that by using the EOQ method, company can minimize the inventory cost incurred.

Keyword : Economic Order Quantity, Inventory Contol, Total Inventory Cost, Raw Materials.