The telecommunication industry in Indonesia increased significantly day by day and arise competition which is more rapid (Miranti, 2003). This competition demands PT. Telkom, not only focus to the efforts to attract customers but also to maintain the customers who have been gained by improving the service quality. The service quality of PT. Telkom kandatel solo is good. However, some customers are not satisfied with the available services, especially in the service of installing new extension (PSB) Fix Phone. Repairing the process intensively and continuously or Continuous Improvement need to be conducted by PT. Telkom Kandatel Solo. Although it is conducted gradually, by the Continuous Improvement, it is hoped that there will be increase of service process that is improvement of efficiency and effectiveness of each activity so that it can improve the customer satisfaction.

In re-designing the business by using promodel software to identify and evaluate comprehensively and inwrought with the parts of process or activity which give or do not give value added to the company. The simulation result shows that the cycle time of each unit which connected directly in the process of PSB takes a long time and not optimal. It will be the input to conduct improvement.

The research's result shows that the Continuous Improvement resulted improvement of cycle time PSB fix phone both cycle time in each sub process and cycle time of PSB as a whole. With the reduce variation and reduce cycle time in the improvement of sub process, the customer's expectation of wanting improvement significantly to the service time of PSB in Plasa, can be conducted, the process which at first are vary and takes more than one hour, now takes maximal only 12 minutes. Also the improvement of cycle time of PSB as a whole, by taking a short cut bureaucracy by deleting the less active unit, so the PSB process only takes time 7.625 hours or not longer than one day PT. Telkom Kandatel solo is able to deliver the service of PSB fix phone.

Key words: Continuous Improvement, model, simulation, reduce variation, reduce cycle time.

ABSTRAKSI