

Abstract

One of the fundamental aspects of supply chain management is performance management and continuous improvement. To create an effective supply chain management, measurement system is needed that can evaluate the performance of a holistic supply chain. One effort to improve supply chain performance is to conduct inventory control at each supply chain. Through this research, supply chain management will be measure which the result of the measurement can help company in determine the strategy that can help company to achieve their goals. The purpose of this research is to determine the performance of supply chain performance of existing Div. HANDAKKOM PT.PINDAD (Persero). By knowing the performance of the current performance is expected Div. HANDAKKOM can make improvements to the performance-inhibiting performance of the company's goals is to provide the best service to consumers.

Div. HANDAKKOM have never done performance measurements for the its supply chain management. Therefore, with the supply chain management, will greatly assist the company in the process of how to meet the needs to run efficiently to achieve the desired objectives.

After measurements, carried out repairs and improvements made is to reduce inventory or inventory reduction. The result is a value for each performance of supply chain management and policies that should be done to achieve the desired value. Currently existing supply chain performance Div. HANDAKKOM say good enough because it has a value of 0.65 for the 0-1 scale. Most of the metrics-metrics that are measured have a pretty good score, so that supply chain performance in the Div. HANDAKKOM overall good value. However, there are several metrics that need to be considered by the company for having a score or a low enough value, which is below 0.60. For the performance is less good value given alternative proposal to increase the performance improvements in the future.

After a simulated a model of improvement will then be generated based on the policy of improvement or with other policies. The model simulated the improvement is the work process that the performance values of less than average or it can also be said for the performances that still has a bad value, while for the performance-performance that already have good grades do not improve. Scenarios for the repair is done by reducing the time inventory days of supply from 165.64 days to 150 days and 120 days and also increase the inventory turn over as many as three times a year. By doing this improvements expected value of the supply chain performance can be improved Div. HANDAKKOM.

Key words : supply chain, inventory reduction, supply chain performance, system dynamic.