ABSTRACT

The formed business environment these days has undergone changes and developments that caused these companies are now facing a very tight competition. One way for the company to face the competition is by focusing on core business activities and outsourcing non-core business activities in the supply chain. One of the stages of supply chain network is the Distribution Stage. This stage is very important because the distribution phase is related directly with customers, which in turn affects customer satisfaction and then affects the level of company's profitability. So if the company can efficient and streamline this stage they would have gained many advantages, both in terms of customer (satisfaction) or company (cost minimization).

Sub-divisional Planning and Material Control in Project Management Division is a sub division on PT.INTI that handles the distribution of goods ordered by the customer. The process is currently still requires quite a long time process. The average time required to this distribution process reaches two days, even up to two months. The management assumes that the time is too long, too bureaucratic and swells the cycle time.

In this research, the existing business processes of distributing goods ordered by the customer (vendor) in PT.INTI will be analyzed and improved by using Business Process Improvement (BPI). The results of the analysis will be used to design new business process distribution of goods, customer orders at PT. INTI.

The existing business processes will be identified and analyzed to identify it's deficiencies. The results from data collecting in the form of existing business processes and cycle time will be analyzed by the method of BPI and simulated by using Aris Toolset 7.0. The results from data processing will be used as reference in designing the proposed business processes of distributing goods ordered by the customer (vendor) in PT.INTI.

The proposed business processes of distributing goods ordered by the customer (vendor) in PT.INTI have a better average cycle time and efficiency than the existing business processes. The simulation results of the proposed business processes of distributing goods ordered by the customer (vendor) in PT.INTI also showed better results in which the entire process was completed. Further research can be developed by doing feasibility analysis for the proposed business process, developing the existing information system and optimization of an appropriate number of employees as well as activity-based cost analysis that can improve the effectiveness of the process.

Keywords: Distribution, Business Process Improvement, Business Process.