

## **ABSTRACT**

*The cooperation done by the ASEAN countries (including Indonesia) with China demands Indonesia to increase its productivity of firms in terms of increasing the number of production but with minimum cost incurred by the firms without decreasing the quality of the products. It is required to improve competitiveness of local products with impor products, especially the products coming from China. Which are known that they have have lower price than the local products from Indonesia.*

*The increase of firms productivity executed with Lean Manufacturing approach by identifying the types of waste occuring on the company's production floor based on 8 types of Toyota waste.*

*By doing this research, the number of company's productivity obtained more optimally by the increasing of total production minimum until 25% and the production costs is also decreased minimum until Rp.7, 386 per pair of shoes when compared with the actual condition of the company. The proposal provided to the firm is expected to help the company to overcome the existing problems, so the company can become a more productive and can compete with imported products mainly from China.*

*Keywords: Productivity, Lean Manufacturing, Waste*