

ABSTRACT

PT. PLN Area Majalaya is a state-owned enterprises, which is engaged in serving the demand for electricity distribution community. In the course of its distribution, PT. PLN Area Majalaya have a warehouse that serves as a temporary storage place material before the material is distributed to six rayon underneath the Majalaya area. To control and supervise the material in the warehouse, PT. PLN Majalaya area do the stocktaking twice a year. A disorderly administrative processes in the business process *inbound* and *outbound* causes a gap between the inventory system and material physical inventory. Improvement of business processes *inbound* and *outbound* were calculated using *Business process improvement* (BPI).

The initial step is to map the existing business process *inbound* and *outbound*. Then classify each activity into RVA, BVA and NVA activity. The next step is simplify the existing business processes using streamlining analysis. The results of streamlining analysis is business process proposals which then became the basis for designing the standard operating procedures (SOP) proposals.

The proposed improvements is information systems of monitoring and ordering material which can help in reducing the indiscipline administration and can indirectly increase the accuracy of the material. From the results of the design process *inbound* and *outbound* business proposal can be concluded that the cycle time efficiency in business processes *inbound* increased by 4036.15% and the cycle time was reduced by 94.07 %, while the cycle time efficiency in business processes *outbound* increased by 29445.24 % and the cycle time was reduced by 74.44 % .

Keywords : *Business process improvement* (BPI), Activity Category, *Streamlining*, SOP, Information System.