

ABSTRACT

Forming sustainable industry becomes crucial for leather tanning companies in Indonesia, it's because of leather tanning industry waste index keep increasing in 2016 and 2017. Government regulation states that industries must utilize resources in a sustainable way. This requires companies to improve their achievement in applying and measuring key performance indicator (KPI) sustainability aspects into their business activities. The object in this research is PT. ELCO which is leather tanning companies and this research focusing on measuring its sustainable production KPI values.

This research uses supply chain operations reference (SCOR) model as a media for selecting KPI. Selected KPIs verified by the company, assigned a weight assessment using analytical hierarchy process (AHP) method and normalized its performance values using Snorm De Boer normalization. Obtained value of KPI measurement is 48,63 which indicates that company's performance in applying sustainable production is in marginal position. They must pay more attention to the results from total hazardous waste KPI because it has the lowest value accordance to performance value calculation which is 1,50. The performances value of verified KPI are shown in a web based monitoring system application to facilitate the company to identifies and evaluates their performance in applying sustainable production.

Keywords: Sustainable production, KPI, SCOR, AHP, Snorm normalization, Monitoring system.