

Abstract

Nowadays the importance of a good planning is more needed than ever. One of the most common problem in industry is inventory planning and policy. the inventory policy is usually become a problem for engineer because it's one of the most common problem in the industry. Especially inventory policy for spare part. The lacks of planning in inventory spare part makes the machinary in industry could become break down and shutted down.

In this final task, the writer will solve the problem that occur in PT ABC regarding inventory spare part using periodic review. Periodic review is method to determine what kind of policy that the company should use. Periodic review method has 3 main component namely performance criteria, decision variable, and parameters.

This will leads to an answer of the problem in Industry including when to order the goods in question and how much to order. The period of which the inventory should be ordered is to find out the cycle in each order. And the amount of inventory should be ordered is adjusted to the maximum inventory. It's also helping the company to minimize the total cost of their calculation and to find out how much is the safety stock.

The result of this research would be helpful for company that lacks policy to ordering their goods and when to order their goods. Also it would be better for the company in order to achieved the cost of their manufacture as small as possible

Keywords: *Inventory, periodic review, total cost, maximum inventory, cycle in each order*