

## ABSTRACT

With intense competition in the domestic market for veneer and plywood products due to the closing of the export market in Indonesia, PT XYZ has reduced professional operators, created an efficient organizational structure, and utilized a local workforce on a contract basis. This caused PT XYZ to experience problems such as unstable production results between input and output raw materials due to production defects. The existence of defects that occur is due to the absence of standard operating procedures (SOP) that are agreed upon and known by all workers and the inspection process is only carried out once at the end of production. The purpose of conducting this final project research is to find out the existing business processes in the company, to provide suggestions for improving business processes in the plywood and veneer production process and to prepare standard operating procedures (SOP) for plywood and veneers. production process using a business process improvement approach.

This research was conducted by designing standard operating procedures using a business process improvement approach. The use of business process improvement methods aims to identify non-value-added activities and perform streamlining analysis on each process that has been identified. The results of the streamlining analysis and the creation of a veneer production business process proposal and a plywood production business process proposal will be used as input in the process of developing standard operating procedures.

The existing business processes in the plywood production process have a total of 58 activities consisting of 16 RVA activities, 28 BVA activities, and 14 NVA activities. While the existing business process in the plywood production process has a total of 58 activities consisting of 16 RVA activities, 28 BVA activities, and 14 NVA activities. After streamlining analysis, there is a reduction in activity in the business process proposed in the veneer production process by 6 activities and in the business, process proposed in the plywood production process by 14 activities. So that the business process proposed for the veneer production process has a total of 28 activities consisting of 6 RVA activities and 22 BVA activities. Whereas in the business process proposed in the plywood production process there are 45 activities consisting of 17 RVA activities and 28 BVA activities. In addition, the proposed SOP design contains work criteria such as identified procedures, tools and equipment are prepared according to procedures, machines are operated according to operating procedures, operating processes are monitored, operating results are always prepared according to procedures and processes are documented. Thus, in the proposed SOP regarding the press dryer and sander process a proposal document was also prepared, namely a production report document. The purpose of making production report documents for both processes is to facilitate the process of tracking production results and as a review by the head of the factory for evaluation.

***Keywords: Standard Operating Procedure (SOP), Business Process Improvement, Streamlining Analysis***