ABSTRACT

PT Java Pacific is a steel industry company that began operating in early 2012 in Sidoarjo, East Java. This company has a production division consisting of raw material procurement, production, and distribution to customers. However, the business processes being run are still not optimal. There are problems in the production division of PT Java Pacific, namely ineffective communication flows between departments because they still use a manual system, resulting in errors in the amount of raw material data input and causing discrepancies in the amount of raw materials received for production needs. Therefore, it is necessary to conduct analysis and evaluation to overcome these problems and improve business processes. The methodology used to provide improvement recommendations is the Business Process Improvement (BPI) method with the help of streamlining tools. The BPI method aims to identify and eliminate activities that do not provide added value, as well as simplify the workflow to increase efficiency. Based on the modeling results, three proposed To-Be processes are produced, namely raw material receipt, production planning, and production result reporting. These improvement proposals are carried out through digital tools, namely the implementation of modules in the Odoo system consisting of Inventory, Manufacturing, Planning, and Document modules, as well as the creation of technical SOPs. The results of the research analysis indicate that the proposed business process model has increased efficiency. For example, in the raw material receipt process, time efficiency reached 40% with an 18% increase in utilization and a 1.11% decrease in costs. Then, in the production planning process, time efficiency increased by 42% with a 14% increase in utilization and a 4.8% decrease in costs. In the production results reporting process, there was a 31% increase in time efficiency and a 9.9% increase in utilization and a 2.1% decrease in costs. After the improvements, overall, the proposed business process can increase efficiency and is superior to the As-Is business process.

***Keywords**: Analysis, Business Process, Business Process Improvement*