

## **Abstract**

CV Permata Jati is a manufacture company in furniture industry. This company spends about 50%-70% of its total production cost for material in its every production. Furthermore, it will need relatively large additional cost for stock holding and upholding in the event of inventory pile up hence it is important to plan the material requirement (MRP) in detail and specific. Collaboration and coordination among all parties in the supply system of materials include PPIC, procurement and production departments with supplier. Whereby supplier can anticipate material requirement of the company in a real-time based on PO (Purchase Order) customer; so that the supplier does not need to wait for purchase order to be delivered by the company. BPR on Supply System of Materials in this final project is used Consolidated Methodology. The result is new business process with an application development which can accommodate business process in the material supply to obtain improvement on several performance measures such as time, reduce a lead time of material start from ordered until production.. The performance improvement that can reached by BPR more than 99% such as a deadline of shipping PO Customer 99.76%, time and quantity of material, order to supplier 99.72%, purchase order material to supplier 99.94%, inventory item and material 99.09% and make MRP report 99.76%.

**Keywords:** MRP (Material Requirement Planning), BPR (Business Process Reengineering), Consolidated Methodology, PPIC (Production Planning and Inventory Control), procurement, real-time.