

ABSTRACT

Raw material inventories that are not well-controlled often lead to waste and increased production costs. PT Bersama Zatta Jaya applies an outsourcing production system; however, the company has not yet optimized inventory management efficiently. As a result, it faces issues such as excess raw materials, cost inefficiencies, and a decline in material quality. PT Bersama Zatta Jaya has not implemented a Just In Time (JIT) based inventory control method, which focuses on procuring raw materials precisely when needed for production. This study aims to compare the company's current inventory system with the Just In Time (JIT) approach in order to improve cost efficiency in the production of tunic products. The production cost analysis using the Just In Time (JIT) method indicates that raw material orders are placed 28 times a year, with each order consisting of 7 deliveries. The quantity of raw materials ordered per transaction is 3.872 yards, while each delivery contains 7.744 yards. Based on the calculations, the total holding cost amounts to Rp. 1,476,200, the total ordering cost is Rp. 1.476.101, the total delivery cost is Rp. 140.558.000, resulting in a total inventory cost of Rp. 143.510.301.

Keywords: Inventory Management, Just In Time (JIT), Production Cost Efficiency