

ABSTRACT

CV Alsava Utama experienced raw material inventory shortages in October and excess inventory during the remaining 11 months in 2026, resulting in production delays and inefficient inventory costs. The company currently applies the First In, First Out (FIFO) method for inventory control; however, its existing inventory policy has not yet optimized order quantities and inventory costs. This study aims to compare the company's inventory policy with the Economic Order Quantity (EOQ) method to identify a more efficient approach to inventory control. A descriptive comparative research approach was employed using secondary data obtained from company documents, supported by observations and interviews. Data were analyzed using the Economic Order Quantity (EOQ), Safety Stock, Reorder Point (ROP), and Total Inventory Cost (TIC) methods. The results show that the optimal order quantity is 1,405 sheets per order, with an ordering frequency of ordering 4 times per year. The required Safety Stock is 158, while the Reorder Point (ROP) is 319. The EOQ method produces a total inventory cost of IDR 2,217,660,062, which is lower than the company's current inventory cost of IDR 2,238,445,000, resulting in annual cost savings of IDR 20,784,938. These findings indicate that the Economic Order Quantity (EOQ) method is more effective in optimizing order quantities, reducing ordering frequency, and minimizing total inventory costs. Therefore, the EOQ method is recommended as an alternative inventory control approach for CV Alsava Utama.

Keywords: *Inventory Control, Economic Order Quantity (EOQ), Safety Stock, Reorder Point, Total Inventory Cost.*