

ABSTRACT

PT. Pindad (Persero) is one of the SOE (State Owned Enterprises) which is engaged in Alutsista (Main Equipment Weapons System) and commercial products. Alat Perkeretaapian Division railways tool is one part of the production / manufacturing for commercial products that produce Air Brake System. In addition to producing these products alat perkeretaapian division is also able to repair the product.

In determining inventory policies, PT Pindad not using standard calculations yet. The inventory policies according to sales order that is issued. This situation resulted the stockout that causes a shortage costs are so high that the total inventory cost becomes very high.

The purpose of this research is to determine the inventory policy proposals for the component of Air brake system with ABC analysis tools that will result in 3 categories: class A, class B, and class C. Policy component supplies for class A using Continuous Review (s, S) method and for Class B and C components using Continuous Review (s, Q) methods.

Result of calculation of inventory policy for class A give total inventory cost saving amounting to 95% or Rp 145.465.226 with an average service level of 98%, while for class B and C give total cost savings of 68% or Rp. 49.534.448 with an average service level of 97%.

Keywords – *Inventory, Service level, Stockout, Continuous review (s,S), Continuous review (s,Q).*