# **Chapter I INTRODUCTION**

#### I.1 Background

Every business has its own goal and achievement. According on that, every business need to ensure that every business process goes well. Today's business need technology with complete integrated function optimize every aspect of their business, one of important things that must be perform by every company is integrating both internal and external resources in a business.

PT. Albasia Nusa Karaya formed since 2014 in Garut. Garut is chosen because considered many beneficial aspects within this city, such as near big supplier of raw material provider, near harbor to perform shipping product to every buyer, and beside the beneficial from strategic location of Garut, there is no any other company that run the same business with PT. Albasia Nusa Karya.

This company are newcomer in this industry, this company need to improve many aspects. But, it can't be denied that PT. Albasia Nusa Karya can be the great company in the future.

The market segmentation of bare core product of this company is almost every country, Asia, Africa, America, and Europe. Bare core product is used for material to make almost every kind of furniture, wall, and equipment of house and office around the world. For now, in the beginning phase the product export destination of PT. Albasia Nusa Karya is Asian nations and several European nations.

Bare core is semi-finished material for make any wood product in the form of board sheets, this product is one of mainstay product of Indonesian wood industry. Bare core industry itself has big opportunity in worldwide, nowadays Indonesian bare core industry is leading 90% of worldwide market. Indonesian Albizzia wood is main ingredient for bare core, has been approved as the best quality wood for this industry. It will be one strength and opportunity for company which run this kind of industry

For business with high demand, warehousing will be big problem faced by bare core company. Several problems like, limited space of warehouse, low productivity, data accuracy, warehouse audit issues, messy warehouse, and even warehouse management will be frightening thing regarding bare core industry. Every bare core company including PT. Albasia Nusa Karya need the right solution for those problem. In the fact that PT. Albasia Nusa Karya used paper and Microsoft office to run their warehousing processes still felt less accurate for their business process. In other word, data transfer in both internal and external of warehouse division not integrated one and each other.

Enterprise Resource Planning (ERP) is one the latest technologies that many organizations have undertaken (Sadrzadehrafiei, 2013). ERP system is an enterprise-wide package that integrates all necessary business functions into a single system with a shared database. These software packages can be customized up to a certain limit to the specific needs of each organization. (Cardoso, J., Bostrom, R.P., Sheth, A., 2004, cited in Sadrzadehrafiei, 2013).

ERP offer business process automation which can directly affect the warehouse in optimizing picking efficiencies, reduce the duration of storing material in warehouse, reduce the use of paper, and of course reduce cost of warehouse operation. ERP also offer integrating warehouse division with other division so that every operation related with warehousing will be more efficient.

ERP software that used is Odoo, Odoo is one of the best open source ERP software. This research used Odoo because compared with other Open Source ERP Software like Adimpiere and Open Bravo, Odoo has several features that not owned by other. Custom from field creation, time and task, ability to define custom views to show system data and document management is extra features of Odoo compared by another Open Source ERP software.

#### I.2 Research Problem

Based on previous background session, the issues that can be raised are as follows:

- How to design optimal business process for warehouse division of PT. Albasia Nusa Karya by using Odoo 10?
- How to implement Odoo-based Inventory module in warehouse division of PT. Albasia Nusa Karya?

## I.3 Objective of this Study

Benefit that can be obtained within this research as follows:

- Provide a more efficient solution to run warehousing business process in PT. Albasia Nusa Karya
- 2. Create warehouse division that integrating both internal and external business processes so that warehouse activity in PT. Albasia Nusa Karya run better

#### I.4 Benefit of this study

Benefit that can be obtained within this research as follows:

- Provide a more efficient solution to run warehousing business process in PT. Albasia Nusa Karya
- 2. Created warehouse division that integrating both internal and external business processes so that warehouse activity in PT. Albasia Nusa Karya run better

## I.5 Limitation

There are several limitations within this research:

- 1. It only designing optimal business process for warehouse division.
- 2. It only analyzing around ERP Odoo-based implantation within warehouse division