Inventory Management Practices: Receipt and Release of Goods at the UPTD of Technology Development and Industrial Standardization, Banten Province

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Abstract
Managing the receipt and release of inventory items is an important component in inventory management, which aims to ensure optimal availability of goods to support organizational operations effectively and efficiently. This research specifically distributes procedures for receiving goods to the Technical Implementation Unit of the Department of Industry and Trade (UPTD) Technology Development and Industrial Standardization (PTSI) Banten Province. Through a qualitative approach, this research applies comprehensive data collection techniques, including direct observation, in-depth interviews, and analysis of related documents. The research findings are expected to be able to identify the advantages and disadvantages of existing procedures, as well as provide strategic recommendations to increase the operational effectiveness and efficiency of the UPTD PTSI Disperindag Banten Province. It is hoped that the results of this research can contribute to the development of inventory management theory in the public sector and provide effectiveness for inventory management in other government institutions

Keywords: Inventory receiving, UPTD Pengembangan Teknologi dan Standardisasi Industri (PTSI) Dinas Perindustrian dan Perdaganganbanten Province, Operational effectiveness, Operational efficiency, Inventory management, Procurement of goods

1. Introduction

Every company, whether governmental or private, in carrying out its activities, is oriented towards providing excellent service to the public or customers, by making the most of all the resources it has, especially human resources, facilities and infrastructure, as well as both tangible and intangible assets, so that the organizational goals set can be achieved effectively. A company or government agency also needs certain mechanisms to ensure that all these strategic activities can be coordinated in an integrated and directed manner by implementing a good management system, starting from planning, procurement, implementation, reporting, and integrated supervision or control, so that the company's or government agency's objectives

are achieved. It is crucial because the company or government agency must ensure that every action or decision can run effectively and efficiently in accordance with the applicable regulations to maintain consistency and maximum performance. This applies to the inventory cycle, which plays an important role in reviewing value and quantity aspects because inventory has a direct impact on public service. Inventory is one of the assets that requires special attention because of its vulnerability to errors. If the inventory level is excessive, it will cause burdens in maintenance and storage and is prone to damage. On the contrary, if the inventory level is too low, it will hinder the company's performance in meeting needs and serving customers. Inventory is also an asset that is sensitive to obsolescence, recording errors, loss, and market price declines. Therefore, the company must anticipate, monitor, and prevent discrepancies in the quantity or optimization of inventory that must be available according to standards and the internal control system over inventory.

For control or reporting, government agencies usually refer to Government Accounting Standards (SAP) in accordance with the Regulation of the Minister of Finance of the Republic of Indonesia Number 22/PMK.05/2022 concerning Government Accounting Policies. Government Accounting Standards (SAP) are accounting principles applied in preparing and presenting government financial statements, including reporting policies, cash and cash equivalents accounting policies, investment accounting policies, fixed asset accounting policies, inventory accounting policies, and other asset accounting policies. Inventory accounting policies consist of consumable goods such as office supplies (ATK) and non-consumable goods such as computer equipment components and used goods. Consumable goods are items or office supplies that are used only once or a few times or have a short useful life (usually less than one year depending on each region's accounting policy). Consumable goods are essential for daily activities. Therefore, for an agency or company to run well, the management of inventory (consumable goods) is required to be organized and detailed according to needs and established regulations. Without adequate inventory, it is impossible for the performance of a government or private agency to run smoothly, so good planning, procurement, recording, and reporting in accordance with Government Accounting Standards (SAP) are required.

The Technical Implementation Unit for Technology Development and Industrial Standardization (PTSI) of the Banten Province Industry and Trade Office is one of the Technical Implementation Units under the scope of the Banten Province Industry and Trade Office, which in carrying out its main duties and functions, highly depends on inventory as a support in carrying out public service activities. The Technical Implementation Unit is the front line that directly provides or interacts with the public, especially small and medium-sized businesses. To ensure smooth operations and efficient management of goods, the Technical Implementation Unit for Industry and Trade (PTSI) depends heavily on available inventory, which becomes the key to meeting the needs of various service activities carried out by this unit. Therefore, a deep understanding of inventory receipt and expenditure management is a necessity to ensure the smooth operational process and the adequacy of available inventory. By implementing good procedures in a company, it will greatly help, and is highly required, especially in the process of receiving and issuing goods to prevent discrepancies in both quantity and physical condition of goods. To avoid such problems, the company needs to use

or develop Standard Operating Procedures (SOPs) that can assist in the process of receiving and issuing goods in a company. Office supplies are crucial in daily office activities, so inventory administration and management are needed to ensure activities run smoothly. Every inventory item received or issued must be counted and rechecked, whether the items received and issued match the name, type, and specifications of the goods. The Indonesian Institute of Accountants in Statement of Financial Accounting Standards (PSAK) 14 (revised 2008) defines inventory as assets available for sale, in the production process, and in the form of materials or supplies used by the company to support its activities. Warren et al. (2017) argue that errors in inventory recording can affect financial statements, with some of the reasons for inventory recording errors including miscalculations of inventory, improperly allocated costs, incorrectly entered inventory on shipments, and incorrectly entered consigned inventory, so companies need to have good procedures for handling their inventory. A procedure is a sequence of activities involving several people in one or more departments to handle recurring transactions (Mulyadi, 2017). One of the recurring activities is inventory receipt and issuance. The receipt activity is the receipt of goods obtained from purchasing activities, while the issuance of goods is the activity of issuing goods according to the request form received by the warehouse department (Kasella, 2017).

Inventory receipt is a critical stage in inventory management that ensures smooth operations and adequate inventory availability to support various organizational activities. In the PTSI of the Banten Province Industry and Trade Office, where this research was conducted, inventory receipt plays a central role in ensuring the distribution of goods needed to support industry and trade in the region. The inventory receipt process is often faced with various challenges and obstacles that can disrupt smooth operations, including delays in goods delivery, discrepancies between goods received and orders, as well as shortcomings in managing documentation related to inventory receipt. Therefore, it is important to analyze and understand the ongoing inventory receipt process at the PTSI of the Banten Province Industry and Trade Office to identify potential improvements. The focus on the effectiveness and efficiency of inventory receipt is increasing in the context of globalization and tight business competition. Organizations in various sectors must ensure that the inventory receipt process runs well to avoid financial losses, loss of customers, and a tarnished reputation. In the context of the PTSI of the Banten Province Industry and Trade Office, there is a need to evaluate the ongoing inventory receipt procedures to ensure that inventory can be managed effectively and efficiently. With a better understanding of the existing procedures, potential improvements can be identified and implemented to enhance the performance and quality of services at the PTSI of the Banten Province Industry and Trade Office.

In a small-scale company, internal control over inventory can be carried out directly by the company leader, but if the company is large enough, it is impossible for the leader to directly control the inventory (Sahila and Armin, 2019). Therefore, an internal control process is needed "which can provide assurance to the leader that the company's goals have been achieved." For the control or reporting of government agencies, the PTSI of the Banten Province Industry and Trade Office refers to Government Accounting Standards (SAP) in accordance with the

Regulation of the Minister of Finance of the Republic of Indonesia Number 22/PMK.05/2022 concerning Government Accounting Policies. Government Accounting

Standards (SAP) are accounting principles applied in preparing and presenting government financial statements, including reporting policies, cash and cash equivalents accounting policies, investment accounting policies, fixed asset accounting policies, inventory accounting policies, and other asset accounting policies. Inventory accounting policies consist of consumable goods such as office supplies (ATK) and non-consumable goods such as computer equipment components and used goods.

2. Literature Review

Management

Management is a systematic process in pursuing a goal, involving careful planning, direction, control, and optimal utilization of available resources to achieve objectives effectively and efficiently. According to Hasbiyallah and Sujudi (2019: 1), the concept of management has been extensively discussed by various management experts, although there is no uniform definition. Despite differing opinions, the core meaning remains the same: guiding individuals to achieve a specific goal.

Inventory management can be defined as a series of activities involving the planning, controlling, and monitoring of goods owned by an organization to ensure that the inventory is available in the right amount, at the right time, and at an efficient cost (Nahmias, 2009). This concept encompasses various aspects, including ordering, storage, and distribution, all aimed at minimizing costs while meeting operational needs.

The Economic Order Quantity (EOQ) theory, introduced by Marbun et al. (2021), is one of the fundamental theories in inventory management. EOQ is a mathematical model used to determine the optimal order quantity that minimizes the total inventory cost, including ordering and holding costs. This model assumes constant demand and fixed per-unit and ordering costs, making it easier to calculate the optimal order quantity.

The Just-In-Time (JIT) approach, popularized by the Toyota Production System, is an inventory management strategy aimed at reducing storage costs and waste by receiving goods only when needed in the production process. JIT emphasizes operational efficiency, lead time reduction, and product quality improvement (Listiani & Wahyuningsih, 2019). Implementing JIT requires high coordination between suppliers and the organization to ensure timely deliveries and avoid delays.

Irawati & Satri (2017) state that management is a term used in management science. Etymologically, the term management derives from the word "manage" and usually refers to the process of handling or dealing with something to achieve a specific goal. Therefore, management is a branch of management science related to the process of managing and handling something to achieve a particular goal. Moukia et al. (2022) state that management is synonymous with management, so management is understood as a process of distinguishing between planning, organizing, leading, and controlling by utilizing both science and art to accomplish predetermined goals.

Management, often referred to as management, is generally associated with organizational activities such as planning, organizing, controlling, directing, and supervising. The term management originates from the verb "to manage," which means to handle or arrange.

From the above definition of management, it can be concluded that management involves not only carrying out activities but also encompassing management functions such as planning, execution, and supervision to achieve goals effectively and efficiently.

Inventory management also involves stochastic theory, which considers the variability and uncertainty of demand and lead time. Stochastic models help organizations determine the optimal level of safety stock to reduce the risk of stockouts and ensure operational continuity. This model integrates probabilistic analysis to manage risks and predict inventory needs more accurately (Listiani & Wahyuningsih, 2019).

The goal of management is to mobilize all available resources, such as human resources, equipment, or facilities within an organization, in a way that minimizes the waste of time and effort to achieve desired objectives. Management is needed in all organizations because, without it, all efforts would be in vain, and achieving goals would be more challenging. Here are some management objectives:

1. To achieve organizational goals based on vision and mission.
2. To achieve efficiency and effectiveness. The performance of an organization can be measured in various ways, one of the most common being efficiency and effectiveness.

Management objectives will be achieved if the steps in implementing management are established correctly. Afifiddin (2010:3) states that the steps in implementing management based on objectives are as follows:

1. Determining strategies.
2. Determining means and limits of responsibility.
3. Setting targets that include criteria for results, quality, and time limits.
4. Determining measurements for task and plan operations.
5. Determining criteria for evaluation.
6. Holding meetings.

Based on the above explanation, the goal of management is inseparable from the effective and efficient use of human resources, facilities, and infrastructure to achieve organizational goals. One of the primary goals of inventory management is to ensure the availability of goods in the right quantity at the right time. This aims to prevent stockouts that can disrupt the organization's operations and production. Effective inventory management ensures that the necessary goods are always available to meet both internal and external demands (Nahmias, 2009).

Good inventory management aims to minimize total inventory-related costs, including ordering costs, holding costs, and shortage costs. Through methods such as Economic Order Quantity (EOQ) and Just-In-Time (JIT), organizations can optimize the amount of inventory to be stored and the frequency of ordering, thereby reducing overall costs (Harris, 1913; Schonberger, 1982).

Managing the risks associated with demand variability and supply uncertainty is an important goal in inventory management. Using stochastic models and probabilistic analysis, organizations can determine the optimal level of safety stock to reduce the risk of stockouts and operational disruptions (Silver, Pyke, & Peterson, 1998).

In the public sector context, inventory management goals also include compliance with applicable regulations and policies. Inventory management must be conducted with high transparency and accountability to ensure efficient use of resources and compliance with government regulations (Bertelli & Lynn, 2006). In general, the management functions are as follows (Hasbiyallah and Sujudi, 2019: 11-13). In the Indonesian Logistics Association, receiving goods involves physically receiving goods from the factory, principal, or distributor with orders and deliveries following the handling conditions listed in the documents.

Meanwhile, according to Utojo (2019:50), receiving goods is the process of receiving goods shipped by a vendor concerning a specific Purchase Order (PO) number. Based on the above definitions, it can be concluded that receiving goods is the physical receipt of goods from a factory or vendor where the Purchase Order (PO) is used as the basis for how many goods should be received, what type of goods, and ensuring they match the purchase order.

The function of inventory management, especially office supplies (ATK), is an essential aspect of an organization's operational management. In this context, the role of ATK inventory management can be described as follows:

A. Ensuring Availability of Goods: The main function of ATK inventory management is to ensure that the necessary goods are available in adequate quantities. This aims to avoid stockouts that could disrupt the organization's operational processes. By properly managing ATK inventory, organizations can ensure that office supply needs are met on time.
B. Inventory Control: ATK inventory management also aims to control inventory levels to remain within the limits appropriate to the organization's needs. This involves continuous monitoring of ATK inventory levels, setting procurement policies, and efficiently managing the inventory cycle. In this way, organizations can avoid excess inventory that could lead to unnecessary storage costs.
C. Monitoring Consumption and Demand: ATK inventory management functions include regular monitoring of consumption and demand for goods. Through consumption analysis and demand patterns, organizations can identify trends in ATK usage, anticipate future needs, and plan procurement more effectively. The information obtained from this monitoring can also be used to optimize resource allocation and identify potential improvements in inventory management processes.
D. Cost Optimization: ATK inventory management aims to balance the availability of goods and storage costs. By optimizing inventory levels and reducing unnecessary storage costs, organizations can achieve efficiency in managing ATK inventory. Steps such as efficient procurement methods, good price negotiation with suppliers, and monitoring storage costs can help organizations reduce costs associated with ATK inventory.
E. Increasing Operational Efficiency: Overall, the function of ATK inventory management aims to improve the organization's operational efficiency. By having sufficient and well-managed ATK inventory, organizations can minimize disruptions in daily tasks, increase workforce productivity, and achieve better overall operational performance.

By effectively performing these functions, ATK inventory management can be a key factor in enhancing an organization's performance and competitiveness in a competitive business environment.

The inventory planning function includes determining short-term and long-term needs based on demand analysis and production projections. Through advanced forecasting methods, such as trend analysis and stochastic models, inventory planning ensures that goods are available in sufficient quantities to meet operational needs without excess or shortage of inventory (Silver, Pyke, & Peterson, 1998).

Receiving

The following are the stages implemented during the goods receipt process, as described by (Moukia et al., 2022):

A. **Document Verification**: The goods receipt process begins with verifying the delivery note provided by the shipper. This step ensures that the shipping documents match the Purchase Order previously placed.
B. **Thorough Physical Inspection**: Each received item is carefully inspected to ensure it matches the quantity, quality, and specifications listed in the Purchase Order and the user's request. This inspection process requires precision and skill to identify any discrepancies or damage to the received items.
C. **Document Signing and Filing**: After the inspection is complete, the next step is to sign and stamp the delivery note as a receipt. The original delivery note is then given to the vendor as an attachment for the invoicing process carried out by the finance department.
D. **Creating a Goods Receipt Note**: The logistics department or the item owner on the user side is then responsible for creating a goods receipt note, which will be signed by the authorized parties in the logistics or user department and by the shipper. This goods receipt note is issued to ensure that the goods received from the vendor meet the expected standards and are in good condition.
E. **Documentation for Payment Process**: The data and documents generated during the goods receipt process serve as an essential reference for the payment process carried out by the finance and accounting departments. Properly documented information will facilitate tracking, managing, and reporting on the received goods transactions.

By consistently implementing these procedures, organizations can ensure that the goods receipt process is conducted efficiently, accurately, and by established standards, thereby supporting smooth operations and business continuity.

Goods

Goods have deeper significance beyond their mere existence as physical objects that can be traded. They are the result of a production process involving interactions between humans and nature, as well as between individuals within a socially organized society. Goods also symbolize the complex social relationships present in capitalist societies (Marbun et al., 2021).

According to Listiani & Wahyuningsih (2019), in society, goods possess an exchange value separate from their intrinsic value. This exchange value is not determined by the amount of labor actually required to produce the goods but by market demand and competitive dynamics among producers. Consequently, goods become commodities traded in the market, with their value determined by the capitalist value law.

Marlina & Dewi (2020) highlight the alienation that occurs in the relationship between humans and goods in capitalist societies. In a capitalist production system, workers do not have control over the products they produce. Instead, these products are owned by capitalists who exploit them for profit. This leads to a separation between workers and their work results, causing them to lose control over their own creations.

Goods are not merely physical items that can be traded but also represent complex social relationships, including those between humans and nature, as well as between different classes in capitalist societies. Marx's analysis of goods helps us understand that the production and exchange of goods are not only technical or economic processes but also deeply intertwined with social structures and power dynamics within capitalist societies.

Goods are everything that has value and can meet human needs or desires. Goods can be physical items, such as products produced by industries or nature, or services offered by individuals or companies. Goods have measurable economic value and can be traded or exchanged for other goods or money.

According to classical economists, goods are everything that can satisfy human needs. In their view, goods can be physical items or services produced for human benefit. Generally, goods can be defined as physical objects that can be touched and seen, which have economic value and can meet human needs or desires (Kotler & Keller, 2016). Goods are categorized as assets owned by individuals or organizations that can be bought, sold, or used in the production process to create other goods or services.

Consumer Goods and Producer Goods

Consumer goods are items purchased by end consumers for personal use, such as food, clothing, and electronics. In contrast, producer goods are items purchased by organizations for use in production or operational processes, such as raw materials, machinery, and equipment (Chusminah et al., 2019).

Finished Goods and Semi-Finished Goods

Finished goods are items that have been fully produced and are ready for sale or use, while semi-finished goods are items still in the production process and require additional work or components to become finished goods (Muliawan et al., 2021).

Durable Goods and Non-Durable Goods

Durable goods are items with a long usage life and are not used up after a single use, such as cars and household appliances. Non-durable goods are items used up quickly or after a single use, such as food, office supplies, and fuel (Phillip Kotler, 2019).

In the context of this thesis, the focus is on consumables, specifically office supplies. An in-depth analysis of the characteristics and inventory dynamics of office supplies is key to formulating effective and efficient inventory management strategies. By systematically and analytically applying fundamental inventory management concepts, this thesis aims to contribute significantly to the development of theory and practice in office supply inventory management.

Goods play a strategic role in inventory management, encompassing planning, controlling, and monitoring of items held by an organization. Effective inventory management ensures that goods are available in the right quantity, at the right time, and at an efficient cost (Marbun et al., 2021).

A. Economic Order Quantity (EOQ)

EOQ is a mathematical model used to determine the optimal order quantity that minimizes total inventory costs, including ordering and holding costs. This model helps organizations manage inventory more efficiently (Marbun et al., 2021).

B. Just-In-Time (JIT)

The JIT approach aims to reduce storage costs and increase operational efficiency by receiving goods only when needed in the production process. JIT requires high coordination with suppliers to ensure timely deliveries (Marbun et al., 2021).

Inventory is a fundamental element in operational management within companies. A deep understanding of inventory concepts is necessary to ensure efficiency and effectiveness in managing company resources.

(Moukia et al., 2022) defines inventory as "resources stored for future use in production or as part of a final product to be sold to customers." They emphasize the importance of inventory management in reducing costs and enhancing customer satisfaction through timely demand fulfillment.

(Marbun et al., 2021) states that "inventory is the stock of goods or materials held by a company to support production, operational activities, and meet customer demand." They highlight three main types of inventory: raw materials, work-in-progress, and finished goods.

(Chusminah et al., 2019) defines inventory as "goods stored for use in production or for sale to customers." They explain that effective inventory management involves determining the optimal quantity of goods to hold to minimize total costs, including holding costs, ordering costs, and shortage costs.

(Awaliyah & Muchayatin, 2019) defines inventory as "assets held in the form of finished goods, semi-finished goods, or raw materials used for sales or production purposes." They emphasize the importance of inventory management strategies in an efficient supply chain to reduce uncertainty and improve response to market demand.

(Marlina & Dewi, 2020) defines inventory as "goods or materials stored with the aim of future use in production or as part of the final product." They focus on performance and inventory modeling in automated manufacturing systems to improve operational efficiency and cost control.

This indicates that inventory includes not only finished goods but also raw materials and work-in-progress that support production and company operations. Effective inventory management is key to reducing costs, increasing efficiency, and meeting customer demand optimally. This theoretical study provides a strong foundation for further research and practical implementation in inventory management across various industries.

Receiving and dispatching inventory in the context of the UPTD Technology Development and Industrial Standardization (PTSI) of the Banten Provincial Industry and Trade Office requires meticulous and detailed management. Accounting information systems

play a crucial role in supporting this process, ensuring that transactions are recorded accurately and timely, and facilitating effective decision-making.

Internal control is a system designed to protect organizational assets, ensure the accuracy of financial information, and ensure compliance with established policies and procedures. In the context of inventory management, internal control plays a crucial role in ensuring that inventory is managed efficiently, transparently, and reliably. Key aspects of internal control over inventory include:

1. **Access Restrictions**

Internal control begins with restricting access to inventory. Only staff with appropriate authorization are allowed to access or manage inventory. Authorization should be based on each individual's role and responsibilities within the organization.

2. **Segregation of Duties**

The principle of segregation of duties is important in inventory management. Tasks related to receiving, storing, and dispatching inventory should be clearly separated among different individuals or departments. This helps prevent misuse or accidental errors.

3. **Periodic Verification and Reconciliation**

Periodic verification and reconciliation are conducted to ensure that the recorded inventory data in the accounting system matches the actual physical inventory. This process involves regular physical counts of inventory and comparison with system records. Discrepancies should be investigated and resolved.

4. **Transaction Tracking**

Every transaction related to inventory should be carefully tracked. This includes receiving, dispatching, returns, and inventory adjustments. Each transaction should be recorded in detail in the accounting system and supported by appropriate documentation.

5. **Physical Security Controls**

Physical security controls are needed to protect inventory from theft, damage, or other losses. Measures such as locking systems, CCTV surveillance, and secured storage areas are examples of physical security controls that can be implemented.

6. **Performance Monitoring**

Inventory management performance should be monitored regularly. Performance metrics such as inventory turnover rates, on-time dispatch success rates, and inventory accuracy levels can be used to evaluate the effectiveness of internal controls and identify areas needing improvement.

Effective internal control over inventory is key to ensuring reliable inventory information, reducing the risk of loss or theft, and improving overall operational efficiency. By adhering to relevant internal control principles, organizations can enhance their inventory management and control practices.

An internal control system is a set of procedures, policies, and practices designed to manage risks, protect assets, ensure compliance, and achieve organizational goals effectively and efficiently. In the context of inventory management, an internal control system plays an essential role in ensuring that inventory is managed accurately and reliably. The following is an outline of how an internal control system can be designed and implemented for inventory management:

1. **Establishing Policies and Procedures**

First, organizations need to establish clear policies and procedures related to inventory management. This includes defining responsibility limits, authorization, and operational steps to be followed at each stage of the inventory process, from receiving to dispatch.

2. **Segregation of Duties**

Segregation of duties is a fundamental principle in internal control systems. Inventory management tasks should be clearly separated among different individuals or departments. For example, physical receipt tasks should be separated from record-keeping tasks in the accounting system.

3. **Physical Security and Restricted Access**

Internal control also includes physical security of inventory and access restrictions to storage areas. Measures such as locking systems, CCTV surveillance, and access controls can help protect inventory from theft or damage.

4. **Periodic Reconciliation and Inspections**

Periodic reconciliation between physical inventory counts and accounting system records is essential to ensure accuracy and reliability. Additionally, regular internal or external inspections are needed to validate the effectiveness of internal control systems.

5. **Reporting and Monitoring**

Regular reporting on inventory performance and the effectiveness of internal control systems should be conducted. This allows management to monitor inventory performance, identify potential problems or weaknesses, and take appropriate corrective actions.

6. **Continuous Evaluation and Improvement**

Finally, organizations should continuously evaluate their internal control systems and make ongoing improvements as needed. This process involves identifying areas for enhancement, testing the effectiveness of existing control measures, and implementing appropriate improvements.

By implementing a robust and effective internal control system, organizations can minimize risks, enhance information reliability, and improve overall operational performance. This is crucial for achieving strategic goals and maintaining organizational sustainability in the long term.

Administration

Administration is an integral part of managerial activities within an organization, involving the processes of planning, organizing, executing, and controlling various activities to achieve organizational goals effectively and efficiently. In the context of higher education, administration has a broad and complex dimension, encompassing various aspects such as general administration, financial administration, human resources administration, and operational administration.

General administration involves comprehensive administrative management, including the creation of policies, procedures, and operational standards relevant to supporting the organization's overall activities. Financial administration pertains to the management of the organization's finances, including budget management, financial reporting, and financial risk management. Human resources administration covers workforce management, recruitment,

training, performance evaluation, and career development. Operational administration relates to managing various operational processes and activities within the organization, including inventory management, logistics, production, and customer service.

In practice, an administrator must have a deep understanding of management principles, ethics, laws, and regulations relevant to their administrative field. They must also be able to identify problems, formulate strategies, make decisions, and coordinate various activities effectively. Additionally, good communication skills, analytical abilities, and effective leadership are crucial for successfully carrying out administrative roles.

Administration forms a strong foundation for the success and sustainability of an organization, both in academic and business contexts. By applying good administrative principles, organizations can achieve optimal performance, meet their objectives, and adapt more effectively to environmental changes.

Administration Required for Inventory Management at UPTD

Administration required for managing inventory at UPTD (Regional Technical Service Unit) encompasses various aspects including planning, organizing, executing, and controlling the inventory management process. Here are some important administrative tasks to ensure effective inventory management at UPTD:

A. **Inventory Administration Planning:**
   a. Develop clear and documented inventory management policies and procedures.
   b. Determine procurement strategies and set appropriate inventory levels.

B. **Inventory Administration Organization:**
   a. Establish a clear organizational structure for inventory management, including assigning tasks and responsibilities to appropriate staff.
   b. Form specialized teams or units responsible for managing inventory.

C. **Inventory Administration Execution:**
   a. Regularly monitor inventory to ensure adequate stock levels.
   b. Implement the receipt process meticulously and in accordance with established procedures.
   c. Ensure accurate and detailed recording of inventory inflows and outflows.

D. **Inventory Administration Control:**
   a. Perform quality control on received items to ensure they meet desired specifications.
   b. Monitor inventory usage to prevent waste or loss.
   c. Implement an effective inventory control system to reduce the risk of stockouts or overstocking.

E. **Inventory Administration Reporting:**
   a. Prepare periodic reports on inventory status, including stock movements, inventory levels, and performance evaluations.
   b. Provide information on procurement needs to authorized parties for decision-making.

By implementing well-organized and appropriate administration, UPTD can ensure effective and efficient inventory management. This will help meet operational needs and support the smooth execution of various programs and activities carried out by UPTD.

3. Methodology

This research is conducted at the UPTD (Unit Pelayanan Teknis Daerah) for Technology Development and Industrial Standardization (PTSI) under the Department of Industry and Trade of Banten Province. UPTD PTSI is responsible for managing inventory to support various activities and programs related to industry and trade in Banten Province. The aim of this research is to observe and analyze the real-time implementation of inventory receiving procedures at the location.

The research is conducted directly at the UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province, located at Jl. Ciwaru Raya No.57, Cipare, Serang City District, Serang City, Banten Province. UPTD PTSI is a regional government unit functioning as a center for technology development and industrial standardization, specifically supporting the industrial and trade sectors through various programs and activities it manages.

This final project will adopt a descriptive and systematic analytical approach, involving a series of detailed steps to ensure accuracy, depth, and precision in the analysis. The following steps will be undertaken:

1. **Conducting a comprehensive literature review** to gain an in-depth understanding of fundamental concepts related to inventory management, procurement processes, and relevant theories. Through careful literature analysis, relevant conceptual frameworks and models developed in academic literature will be studied.
2. **Performing direct observation and interviews** with relevant parties at the UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province. The purpose of this observation is to directly understand the ongoing inventory receiving procedures, while interviews will provide additional insights from the perspectives of practitioners and key stakeholders.
3. **Analyzing data collected** from observations, interviews, and documentation of inventory receiving processes to identify strengths, weaknesses, opportunities, and challenges in the implementation of these procedures. This analysis will identify the strengths, weaknesses, opportunities, and challenges in the implementation of these procedures, taking into account the organizational context and its external environment.
4. **Formulating findings based on data analysis**, including the identification of factors affecting the effectiveness and efficiency of inventory receiving procedures at the UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province. These findings will reflect a deep understanding of the factors affecting the effectiveness and efficiency of the inventory receiving procedures at UPTD PTSI.
5. **Developing recommendations for improvement or enhancement** based on the identified findings, aiming to improve the effectiveness and efficiency of inventory receiving procedures. These recommendations will be carefully designed to enhance the effectiveness and efficiency of inventory receiving procedures and address the challenges faced by the organization in implementing these procedures.

Data analysis is a crucial stage in research that allows researchers to interpret and understand information collected from various sources. In the context of inventory management at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province, data analysis can be performed to identify patterns, trends, and significant findings relevant to the inventory receiving and issuance processes. Here is an example of data analysis conducted by a doctoral professor:

Inventory Management Data Analysis at UPTD PTSI

1. **Inventory Quantity Analysis**: First, an analysis of the quantity of inventory received and issued over a certain period is conducted. This data can provide insights into inventory needs, turnover rates, and potential risks of shortages or excess inventory.
2. **Analysis of Receiving and Issuance Time**: Next, an analysis of the time required for the inventory receiving and issuance processes is performed. This can help identify process efficiencies and potential bottlenecks or obstacles in the workflow.
3. **Inventory Quality Analysis**: Data on inventory receiving can also be analyzed to evaluate the quality of received goods. Verification of the alignment between requested specifications and received items can be conducted to determine inventory quality levels.
4. **Variance and Discrepancy Analysis**: Analysis of discrepancies between inventory recorded in the system and actual physical inventory is carried out. Significant variances may indicate issues in inventory management that need to be addressed.
5. **Internal Control Effectiveness Analysis**: Lastly, an evaluation of the effectiveness of internal controls applied in inventory management is performed. Control measures such as segregation of duties, periodic reconciliation, and performance monitoring are assessed to determine whether they have successfully maintained inventory reliability and accuracy.
6. **Inventory Availability Analysis**: This analysis focuses on ensuring that the right goods are available at the right time. Data on inventory receiving and issuance is examined to ensure that necessary items are always available when needed. This is crucial to avoid inventory shortages that could disrupt organizational operations.
7. **Consumer Behavior Analysis**: If data is available, analysis of consumer behavior regarding available items can also be performed. This helps understand demand patterns, preferences, and trends that may affect future inventory needs.
8. **Cost and Profit Analysis**: Analysis of costs and profits related to inventory management is conducted. This includes storage costs, ordering costs, stockout costs, and profits generated from sales. This analysis helps assess the efficiency and sustainability of existing inventory management strategies.
9. **Comparison with Industry Standards**: Collected data is also compared with industry standards or relevant benchmarks. This comparison can provide insights into how the inventory management performance at UPTD PTSI stands compared to best practices in similar industries.
10. **Analysis of Improvement and Development Needs**: Finally, findings from the data analysis are used to identify the needs for improvements and developments in inventory management at UPTD PTSI. Specific recommendations are provided to enhance efficiency, reliability, and quality of inventory management.

Through data analysis, a deeper understanding of performance and challenges in inventory management at UPTD PTSI can be obtained. The findings can serve as a basis for implementing significant improvements in the inventory management system to enhance operational effectiveness and efficiency.

Data Collection

Quantitative data collection in this research will be an essential aspect of empirically understanding the inventory receiving process at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province. The data collected will include several measurable variables, such as the quantity of received inventory, time required for the receiving process, number of orders placed, and other relevant variables for analysis.

Direct observation methods will be used to collect data directly from the ongoing inventory receiving process at UPTD. This will allow researchers to gain a deep understanding of current practices and identify potential improvements.

Additionally, interviews will be conducted with staff involved in the inventory receiving process. These interviews will provide insights and understanding of the procedures being implemented and gather valuable input for further improvement and development.

This approach will enable researchers to combine quantitative and qualitative data, allowing for a holistic and in-depth analysis of the inventory receiving process at UPTD. Thus, it is hoped that this research can significantly contribute to enhancing the effectiveness and efficiency of inventory receiving procedures in that environment.

Sources of Data

1. **Primary Data**: According to Sugiyono (2021), primary data is "data collected directly from the first party, usually through interviews, surveys, and so on." Primary data in this study will be obtained from interviews and discussions. Primary data will be collected through direct interaction with relevant parties at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province. This data will be gathered through interviews and discussions with staff involved in the inventory receiving process. This approach allows researchers to gain in-depth insights into existing practices and direct understanding from the perspectives of those involved in the process.
2. **Secondary Data**: According to Sugiyono (2021), secondary data is "data that is already available and collected indirectly through intermediary media by other parties." In this case, secondary data will be obtained indirectly from the office of UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province regarding consumable goods. Secondary data will come from existing and available sources, primarily from the UPTD office. This secondary data may include internal records, previous reports, and other relevant information on the topic, such as information about consumable goods. The use of secondary data will provide a broader and deeper context about the organizational environment and enrich understanding of the current conditions.

By utilizing these two types of data sources, this research is expected to provide a comprehensive and in-depth analysis of the implementation of inventory receiving procedures at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province.

Data Collection Methods

To prepare the final report with a comprehensive methodology, several detailed and precise data collection methods can be used. Here are some methods that can be adopted in this research:

1. **Observation**: Involves direct observation of the phenomena or activities being researched. Observation can be participatory or non-participatory depending on the researcher's role. In the context of inventory receiving research, observation can be done by directly watching the inventory receiving process at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province.
2. **Interviews**: Involves direct interaction between the researcher and respondents to obtain in-depth information on the research topic. Interviews can be structured, semi-structured, or unstructured depending on the research objectives. In this research, interviews can be conducted with staff at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province involved in the inventory receiving process to understand the procedures used and challenges faced.
3. **Document Study**: Involves analyzing relevant documents such as reports, records, and other administrative documents related to the research topic. In this research, documents such as policies, standard operating procedures, and inventory receiving records can be analyzed to understand existing inventory receiving processes.
4. **Surveys**: Involves collecting data from a number of respondents through questionnaires or structured interviews. Surveys can help in obtaining a general view or overview of the research topic from various perspectives. In this context, surveys can be conducted with staff at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province to gather their opinions on inventory receiving procedures.
5. **Archival Review**: Involves collecting data from historical records and documents related to the research topic. Archival review can provide insights into past events and developments related to the research topic. In this research, archival review can be performed to review historical data related to inventory receiving at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province.

By using a combination of these methods, it is hoped that this research can provide a comprehensive and in-depth analysis of the inventory receiving process at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province.

Data Analysis

Data analysis is a crucial stage in research that allows researchers to interpret and understand information collected from various sources. In the context of inventory management at UPTD for Technology Development and Industrial Standardization (PTSI) of the Department of Industry and Trade of Banten Province, data analysis can be performed to identify patterns, trends, and significant findings relevant to the inventory receiving and issuance processes. Here is an example of data analysis conducted by a doctoral professor:

1. **Inventory Quantity Analysis**: First, an analysis of the quantity of inventory received and issued over a certain period is conducted. This data can provide insights into inventory needs, turnover rates, and potential risks of shortages or excess inventory.
2. **Analysis of Receiving and Issuance Time**: Next, an analysis of the time required for the inventory receiving and issuance processes is performed. This can help identify process efficiencies and potential bottlenecks or obstacles in the workflow.
3. **Inventory Quality Analysis**: Data on inventory receiving can also be analyzed to evaluate the quality of received goods. Verification of the alignment between requested specifications and received items can be conducted to determine inventory quality levels.
4. **Variance and Discrepancy Analysis**: Analysis of discrepancies between inventory recorded in the system and actual physical inventory is carried out. Significant variances may indicate issues in inventory management that need to be addressed.
5. **Internal Control Effectiveness Analysis**: Lastly, an evaluation of the effectiveness of internal controls applied in inventory management is performed. Control measures such as segregation of duties, periodic reconciliation, and performance monitoring are assessed to determine whether they have successfully maintained inventory reliability and accuracy.
6. **Inventory Availability Analysis**: This analysis focuses on ensuring that the right goods are available at the right time. Data on inventory receiving and issuance is examined to ensure that necessary items are always available when needed. This is crucial to avoid inventory shortages that could disrupt organizational operations.
7. **Consumer Behavior Analysis**: If data is available, analysis of consumer behavior regarding available items can also be performed. This helps understand demand patterns, preferences, and trends that may affect future inventory needs.
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10. **Analysis of Improvement and Development Needs**: Finally, findings from the data analysis are used to identify the needs for improvements and developments in inventory management at UPTD PTSI. Specific recommendations are provided to enhance efficiency, reliability, and quality of inventory management.

Through data analysis, a deeper understanding of performance and challenges in inventory management at UPTD PTSI can be obtained. The findings can serve as a basis for

implementing significant improvements in the inventory management system to enhance operational effectiveness and efficiency.

4. Conclusion

The management of inventory receipt and issuance at the UPTD for Technology Development and Industrial Standardization (PTSI), Department of Industry and Trade of Banten Province, is a vital activity that requires the implementation of meticulous policies and procedures, as well as the utilization of competent information technology. This process includes a series of stages from document verification, physical inspection of goods, to recording and reporting through the inventory information system.

From the analysis of the inventory management mechanisms and the common challenges faced, several key points can be concluded:

1. **Inventory Receipt Management**: The management of inventory receipt and issuance at the UPTD for Technology Development and Industrial Standardization of Banten Province has been carefully designed to ensure efficiency, accuracy, and smoothness in every stage of the process. The process begins with identifying inventory needs, creating a Purchase Order (PO), sending orders to vendors, receiving goods from vendors, inspecting and verifying goods, recording in the information system, storing in the warehouse, and reporting the receipt of goods to management. These steps are supported by the implementation of an integrated information system, detailed documentation, and coordination among work units to ensure operational smoothness.
2. **Challenges Faced**: Several challenges frequently encountered in the inventory receipt process include discrepancies in the quantity of goods, damaged or non-conforming items, and delays in delivery from vendors. These challenges can disrupt operational smoothness and result in discrepancies between the expected and actual inventory. To address these challenges, solutions implemented include re-checking, intensive communication with vendors, filing claims or requests for replacements, and actively monitoring delivery status. The importance of proactively and efficiently implementing corrective actions to minimize the negative impact of these challenges is crucial.

By understanding the management mechanisms and the common challenges faced, the UPTD for Technology Development and Industrial Standardization of Banten Province can continue to improve effectiveness and efficiency in inventory management, thus supporting operational smoothness and overall organizational goals.

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