

**THE EFFECT OF LEAN MANUFACTURING PRINCIPLES
TO THE PERFORMANCE OF PRODUCTION SYSTEM
(A CASE STUDY ON THE SHAFT GEAR RING PRODUCTION LINE
OF PT XYZ, A COMPONENT MANUFACTURER IN CIKARANG)**

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2-3114-004

MASTER'S DEGREE
in

MASTER OF BUSINESS ADMINISTRATION
FACULTY OF BUSINESS ADMINISTRATION AND HUMANITIES

SWISS GERMAN UNIVERSITY



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March 2017

Revision after the Thesis Defense on 04 March 2017

STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

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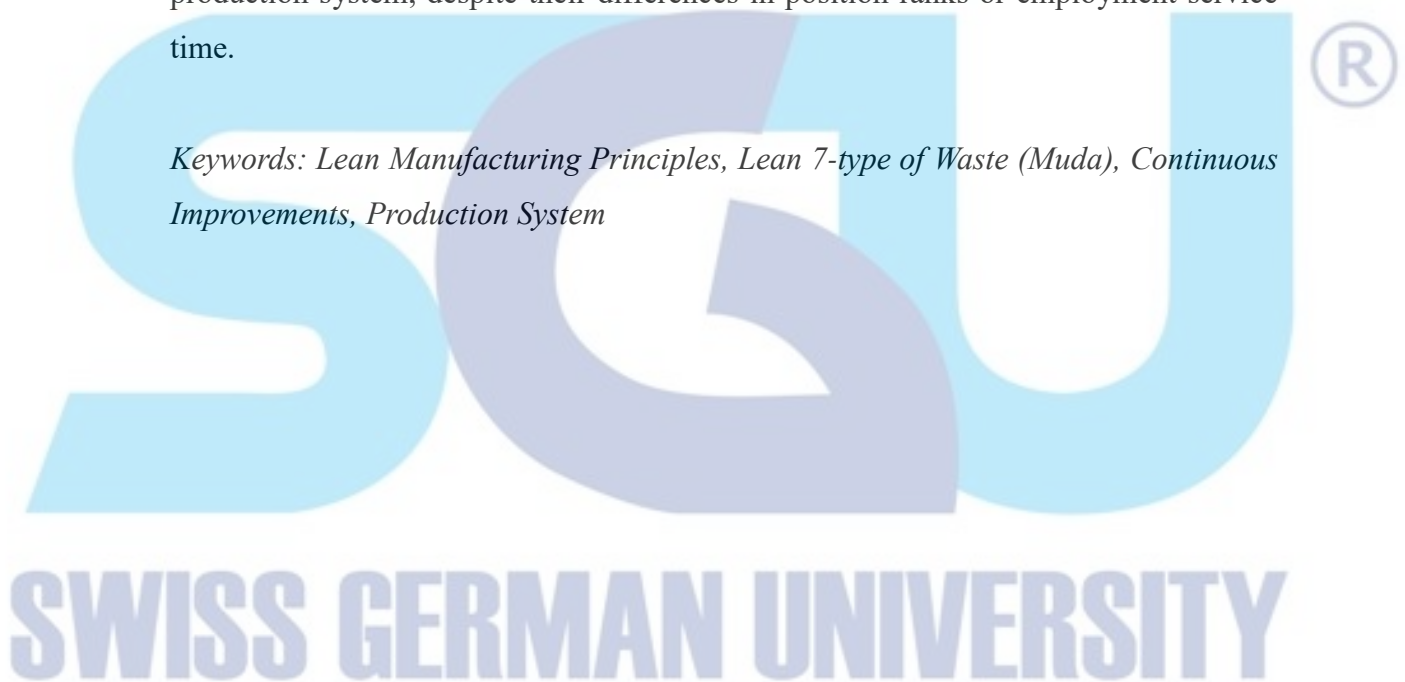
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The purpose of this study is to identify the waste that affects the performance of production system in relation to Lean Manufacturing Principles. This identification of waste will be the first step in the process of waste elimination and process improvement. The rationale is that through the activities of gradually eliminate the 7 wastes, as defined by Lean Manufacturing Principles, it will initiate continuous improvements which eventually will affect the performance of the production system to the better.

Although it seems like a simple practice, eliminating waste is not an easy activity. Many companies still struggle to eliminate waste out of their systems, even those with many years of Lean experiences. Moreover, it turns out that the most difficult part is not the elimination process itself, but rather identification and highlighting the waste, which should precede the process of elimination. Additionally, there are still many companies, especially manufacturing companies, whom still have not discerned the usefulness of this practice. Although, they have, unconsciously, apply these activities of waste elimination here and there in their current production system.

Drawing upon data collection activities, such as interviews, observation and secondary data gathering, from one company in manufacturing industry which is PT XYZ, the results show that there exist all 7 wastes in the current Shaft Gear Ring Production Line of PT XYZ. The research find out as well that the most dominant waste in Shaft Gear Ring Production Line of PT XYZ are waiting, defect and overprocessing wastes. Besides that, this study also reveals that all employees have the same perceptions regarding the most dominant wastes that exist currently in the production system, despite their differences in position ranks or employment service time.

Keywords: Lean Manufacturing Principles, Lean 7-type of Waste (Muda), Continuous Improvements, Production System





DEDICATION

I dedicate this thesis

To my beloved families for their unconditional love and motivation,

To all my teachers, my friends and my colleagues for their advices and supports,

And to everyone who would find this work to be enriching and beneficial.



ACKNOWLEDGEMENTS

I would like to express my sincere gratitude to God for His endless blessings and my family for their love and motivation throughout the accomplishment of this thesis.

I would also express my deepest gratitude to Ir. Nugroho Aryono Suryo, MBA., Ph.D. as the advisor and Mr. Parhimpunan Simatupang, MBA. as the co-advisor for this thesis project. Their trust, full support and motivation really help me in completing this thesis project.

I owe a sincere appreciation to Prof. Eric J. Nasution, MA, MBA, Ph.D., Dr. Dipl.-Ing. Rachman Sjarief, MM., MH., Mr. Surijanto Santoso, all management and employees at PT XYZ, especially to all employees at the Shaft Gear Ring Production Line of PT XYZ. Your supports and efforts are really appreciated.

Lastly, I would also grant my best gratitude to all fellow friends in MBA Batch 24 and all the lecturers throughout this MBA Course for all our adventurous and wonderful moments. This MBA course wouldn't be so much fun and enjoyable without all of you.

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