

CHAPTER VI

CONCLUSION

This chapter consists consist of research conclusions that have been generated through the research that has been done and suggestions to further research.

6.1 Conclusion

The conclusions of the research were:

1. The production cost for the three types of products that have been studied using ABC system Method. Support Cyclone had a cost of production Rp.35.395.395, for products Trolley Rawmill Area has a production cost of Rp.108.011.245 and while the product Swing Out Mobil Bracket has a production cost of Rp.355.367.519.
2. The comparison of the cost of production by using activity-based costing method with the traditional method or methods used by the Biro Workshop. There is an overcosting in product Swing Out Mobil Bracket and undercosting in Support Cyclone and Trolley Rawmill Area. The difference obtained are caused by:
 - a. Cost components that are not included by the Biro Workshop (maintenance, depreciation and stationary and supporting production cost).
 - b. Mismatched estimation calculation by Workshop Biro with the actual cost in production process.
3. The cost reduction strategies for non value added activity. The priority is to optimize:
 - a. Resources Utilization. For example, consumable materials such as welding wire can be used till exhausted and the over use of energy because the longer working hours occur in process production.

- b. Procedures. Commonly, bad procedures used in the production activity and lack of discipline of the operator so that working hours be longer. For example in the estimation an activities should be completed in two days but in actual it is done by operator in four days

6.2 Suggestion

Suggestions for further research in order to generate better result are

1. Calculation of the production cost is conducted for the entire type of product produced by the Biro Workshop PT Semen Padang. If all the exact consumed cost can be identified, it will produced more accurate estimation costing.
2. Inventory, machine setup and tax cost need to considered in calculation production cost to get more accurate estimation costing.

