## **CHAPTER V**

## DISCUSSION

#### 5.1. Discussion

## 5.1.1. Gross Requirement

In calculating the material requirements planning, there are several calculation processes before getting the right schedule and amount to re-order material. The first calculation is to calculate the gross requirement for coffee bean by multiplying the amount of weight per gram on each coffee beans with the forecasting sales per day. To measure material requirement planning of gross requirement is by multiplying the number of measurements with forecasting sales per day. From here the company can conclude their gross requirements to predict their next net requirement.

#### 5.1.2. Standard Operational Procedure Development

A standard operating procedure (SOP) is a set of step-by-step instructions compiled by an organization to help workers carry out complex routine operations. SOPs aim to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and failure to comply with industry regulations. Researcher develops the standard operational procedure to help Couvee in selecting the new coffee beans main supplier. SOP will explain below.

## a. Calculation of Production Result Forecasting

Suppliers are willing to submit the calculation of forecasting coffee production with the time determined by the first party as proof that the supplier can be considered feasible to be the main supplier of coffee beans in Couvee. This can be a feasibility study for prospective suppliers.

## b. Product Sample

Prospective suppliers provide samples of coffee bean production according to type, taste, profile of coffee beans that have been determined by Couvee and presented to all Couvee stakeholders. The product sample, which is coffee beans, will be tried and assessed by Couvee according to the standards quality that already developed by Couvee.

## c. Company Profile

Prospective suppliers provide a profile of the company to Couvee who will later be considered as the main supplier of coffee beans for Couvee. At the company profile, at the same time attach NPWP, PKP, SIUP / IUI to support administrative documents.

## d. Negotiation

Negotiations are carried out before the work contract taken place. Both parties met and discussed all aspects of the work that will be carried out before being agreed each other. Negotiations in this case include two very important things, namely work details and financing.

### 5.1.3. Work Cooperation Contract Development

A Work Cooperation Contract is a document of mutual agreement between the two parties which is the basis for making further implementation agreements as needed. Couvee with prospective new suppliers must make an official written agreement signed by both parties on the legal stamp. The work contract will be the basis of all work activities that will be carried out by both parties in the future. As for some important points that must be included in a work contract.

### a. Rights and Obligation Each Parties

Each signed party in this contract must have the rights and obligations as long as the contract is valid. In preparing the Rights and Obligations, the two parties concerned must meet and discuss together so that all the rights and obligations of the cooperation running well in the future.

b. Work Cooperation Contract Duration

Both parties must determine how long this contract will work. The duration of the contract is very important in a work contract because the duration of the contract will be a binding contract for both parties. There will be a consequence or risk that can occur if one party does not comply with the written work cooperation contract for the duration of the work contract.

#### c. Work Cooperation Activity

In terms of collaborative activities, the first party, Couvee, gave details of the types of work to be carried out by the main suppliers of coffee beans. The working detail will be the full responsibility of the second party as the main executor of all types of work requested by Couvee. The details of this work are about technical and complex so they can be attached to a work cooperation contract.

#### d. Work Cooperation Costing

All work activities carried out incur costs. All costs arising from the implementation of work, will be a full burden for the first party as a client, namely Couvee. The cost details will be explained clearly in the attachment to the work cooperation contract finance agreement.

#### e. Guaranteed Confidentiality of Work Cooperation Contracts

Every work agreement includes details of work, forms of cooperation, financing etc. must be protected confidentially. This must be done by both parties as long as the employment contract runs as a form of professionalism between the two parties concerned.

### f. Policy Changing

Both parties must also determine the policy rules that will be made if there are changes in the work contract that has been made. During the ongoing cooperation, it is possible that there will be changes in terms of work systems, financing, work details or others. This must be made and agreed by both parties.

#### g. Consequences of Violations and Problem Solving

The agreed work contract activities have the potential for problems to occur during the course of the collaboration. This can be influenced by several factors related to the process of cooperation

and financing. Therefore both parties must make and agree on the consequences of the violation and resolve professionally if during the process of cooperation things happen that are not in accordance with the employment contract.

h. Work Cooperation Contract Closing

In this section, both parties draw conclusions from all important points of the cooperation contract and both parties sign a work contract. After being signed by both parties and approved, then the cooperation process can be carried out.

#### 5.1.4 Coffee Beans Quality

The quality of coffee beans it will charged by each party between supplier and coffee shop, in this study Couvee and coffee beans supplier need to cooperative to keep the quality stable. There is golden time in keeping up with the quality of coffee beans, it means time between roasting date and serving time. Thus, supplier needs to provide information to client, which is coffee shop, about coffee beans in optimal condition that will be served to customer as the end user.

Coffee shop that orders coffee beans dated on first day of month could give negative impact to quality of beans. It will show on graph below:

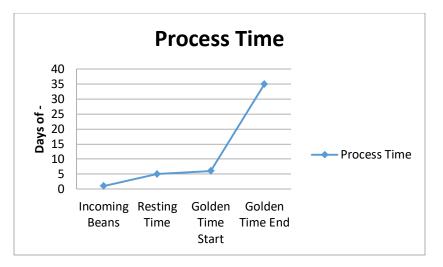


Figure 5.1 Used Coffee Beans Before Implemented

Figure 5.1 shows process time will take 35 days from incoming beans until golden time end. First incoming beans then need resting time. This process needs about 5 days from the first day of incoming beans. After resting time, it will in phase of golden time until days of 35, then finish in the end of golden time.

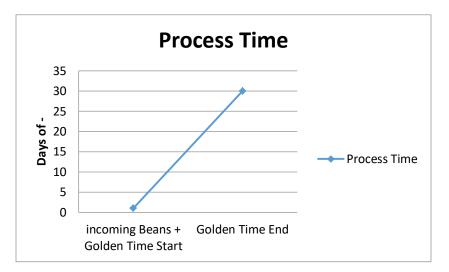


Figure 5.2 Used Coffee Bean After Implemented

From Figure 5.2 it shows process time of beans that will take around 30 days from incoming beans until the phase of end of golden time. The incoming beans does not need resting time because it could be used by coffee shop from the first time. By the time beans are coming in coffee shop, it is considered in phase of golden time until days of 30. Then, finish in the end of golden time phase.

# 5.1.4.1 Supplier

The supplier needs to provide roasting date tag on coffee beans as information to coffee shop. There is a resting time of coffee beans that should be informed properly to the coffee shop. Supplier needs to provide information about the resting time of coffee beans, to maintain stable quality.



Figure 5.1 Visualization Roasting Date Tag

Figure 5.1 shows the example of implantation of visualization roasted date from supplier. This is one way to inform barista about the proper time to use coffee beans to be served to customer in their golden time phase.



## Figure 5.2 Recent Couvee's Coffee Bag

Figure 5.2 shows the real condition in couvee coffee. There is no information about roasting time, so barista does not know the right time to serve the beans to customers. Barista will serve the customers with a cup of coffee in good quality or bad quality due to the lack of information.

## 5.1.4.2 Coffee Shop

The coffee shop should sort the coffee beans based on roasting date tag that provided by supplier. The barista of coffee shop should familiar with the resting time that already considered by supplier. The resting time of coffee beans takes around 3-5 days, then barista should serve the coffee beans in the right time which is in golden time. If there are some rests of coffee beans in the end of golden time days, the barista should eliminate the coffee beans from the inventory. The rest of coffee beans can be used for other needs such as internal used, quality control, coffee calibration process or become material to make another profitable product.