

## ABSTRACT

SUBADI. *Impact of Assembly Process Change to the Return On Asset (ROA) of P.T. Natra Raya (under the supervision of Basuki Yusuf Iskandar).*

P.T. Natra Raya is manufacturer and assembler of Caterpillar heavy equipment. In the assembly processes, there are not so efficient.

After investigating on assembly process, there are many room for improvement to increase the production efficiency. By implementing new method of assembly process, P.T. Natra Raya will reduce process time and inventory without disturbing production output. Reducing the inventory will impact on increasing Cash Flow and the Cash Flow can be returned to Caterpillar Inc. as principle of P.T. Natra Raya. When the Cash Flow is returned to Caterpillar Inc. the Current Asset will reduce and has impact on reducing Total Asset. Prior Cash Flow was returned to Caterpillar Inc, P.T. Natra Raya will receive additional bank interest income. In other word, whether the Cash Flow is returned to Caterpillar Inc, or not, P.T. Natra Raya will get increasing of ROA caused by additional income or reducing in Total Asset.

With implementing the new assembly process, the prediction of increasing ROA is around 1 % above normal 20 % that has been achieved.