

**TARGET COSTING IN PRODUCTION COST CONTROL
(SIMULATION ON SMEs DEWRA PRODUK BIJI GETAH)**

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ABSTRAC

This study aims to find out from a comparison of the target costing method and traditional methods in controlling production costs and increasing product profits carried out at UMKM Dewra Gum Seed Products. The research location was at Dewra SMEs of Gum Seed Products in Berancah Village, Bantan District, Bengkalis Regency. The type of research used is qualitative research with primary data and secondary data. The subjects of this study were MSME business owners. Data collection was carried out through observation, interviews and documentation. Data analysis went through three stages, namely data reduction, data presentation, and drawing conclusions. The results showed that in applying the target costing method to UMKM Dewra Gum Seed Products, the costs incurred in production costs were lower than traditional costing, by first determining the selling price and profit expected by UMKM Dewra Gum Seed Products to target production costs. by doing value engineering, UMKM Dewra Seed Products can achieve the profit it expects.

Keywords: Tradisional Costing, Target Costing, Production Costs, Micro, Small and Medium Enterprises (MSMEs)