

Abstract

This research is motivated by supply chain management practices within companies that use variations of the strategy in accordance with the desired policy in creating advantage through supplier management. Further analysis on the performance of suppliers to consider the variables that may affect the performance of suppliers and it affects the strategic purchasing, supplier development, and continuity of relationships with suppliers. The research object is PT Djarum.

This research uses statistical techniques to aid the analysis of path analysis through SPSS 19.0 software. Data were obtained from the respondents to the manager or head of population in the purchase of PT Djarum.

Analysis results meet the criteria of 0.8639 Goodness of Fit. t-test results on the first and fifth regression equation indicate that the variable strategic purchasing and supplier development have significance value less than 5% significance level. Empirical findings of this research indicate that the effect on the strategic purchasing on supplier performance and sustainability of relationships with suppliers can be optimized through supplier development.

Keywords: Strategic Purchasing, Supplier Development, Supplier Performance, Supplier Relationship Survival (Buyer-Seller Relationships), Path Analysis