ABSTRACT

PT Telkomsel, as market leader of cellular provider in Indonesia, not only paying attention to customer (customer centric), but also to supplier (supplier centric). Supplier has a strategic and special role to maintain the business between PT Telkomsel and supplier. Therefore, good relationship between PT Telkomsel and its suppliers, which can be seen in procurement, should be maintained.

Procurement is an activity in the company, which is usually absorb about 20% until 30% cost from total cost needed by the company each year. Therefore, procurement should be conducted more effective and efficient to save costs. Supply Positioning Model Method is a way to meet the effective procurement requirement and to build competitive advantage, so risk and costs from the procurement can be reduced.

Procurement which take place in 2006 (January-December) in Network Operation Sub Directorate PT Telkomsel had 41 items with total cost \$831.315. By using Supply Positioning Model method, 4 quadrants is generated, which are routine quadrant consists of 24 items, leverage quadrant consists of 4 items, bottleneck quadrant consists of 7 items, and critical quadrant consist of 6 items. From those quadrants, supplier relationship to earn good relationship continuity can be designed. The result of supplier relationship design is a procurement strategy and appropriate contents of contract bases on Supply Positioning Model method. The appropriate context of contract are Identifying the Parties, Description of the Goods, Time Duration, Items Volume, Contract Price, Contract Price Adjusment, Items Delivery, Inpection, Payment Condition, Liability for Late Delivery, Limitation of Liability, Claims in Product Liability, Force Majeure, Applicable Law, Resolution of Disputes, Assignment, Change in Supplier, Insurance, Warranty Claims, and Intelectual Property.

The supplier relationship design can be a recommendation for PT Telkomsel to improve supplier's quality and make supplier more competitive.

Key words: supply positioning model, procurement, routine, leverage, bottleneck, critical