SUMMARY


Indonesia has the highest growth in the automotive industry in Southeast Asia. The high growth of the automobile industry followed by the growth of the automotive component industry to support vehicle assembly company. The government's policies to support the development of the automotive industry are also attract automotive components manufacturer from other countries to enter Indonesia. The entry of foreign auto parts manufacturers in Indonesia make business competition becomes increasingly fierce. In a business environment with high industry attractiveness, strategy and resource capability are important factor for the automotive components company in the country to win the competition.

This study have three main objectives: (1) to analyze the relationship between the company's performance against the selection of the company's competitive strategy; (2) to analyze the relationship between the resource configuration, strategy and performance; and (3) analyze the corelation of the existence of resources distinctive capability on the company's strategy and performance. Resources base view is used to analyze the relationship between Porter's competitive strategy, company resources and performance. Companies are divided into groups based on the competitive strategy and resources configuration of the company which are described as product-based and process-based and compare the performance of each combination. The relationship between the resources configuration and strategies are analyzed to determine the effect of different resource configurations and distinctive competence in one group strategy and analyze its corelation with the company's performance.

The main finding of this study is that the performance difference between the groups strategy is influenced by differences in resource configuration. Firm which able to fit its strategy to the business environment shows the best performance. In one group strategy, the company's performance is not the same. The performance difference is influenced by the distinctive competence in the resources of the company. More distinctive competence of the company making the company easily adapt and achieve optimum performance.

Managerial implications of this study suggest that the company seeks to adapt the configuration of resources with strategies for optimum performance. Companies are advised not to simply imitate strategy of the company with the best performance but they imply different resource configurations. Companies need to understand the availability of resources, organize the activities of each resources in the company to establish capability and adapting to bench mark strategic direction in the same resource configuration. Developing firm’s resources and distinctive competence through resources acquisition is advised as a best choice to enhance the capability of the organization.

Key word: competitive advantage, performance, resources, strategy