

Vendor Selection for Maintenance Using the Analytic Hierarchy Process (AHP) Method

(Case study: PT. Global Sarana Mediakom)

Suci Elfitri¹, Anindya Agripina Hadyanawati²

^{1,2} Department of Industrial Engineering, Faculty of Engineering, Universitas Pembangunan Nasional "Veteran" Jakarta

Jl. Limo Raya, Limo, Kec. Limo, Kota Depok, Jawa Barat 16514

Email: 2210312007@mahasiswa.upnj.ac.id, anindya@upnj.ac.id

ABSTRACT

Objective vendor selection is crucial for a company as the right decision in choosing a vendor directly impacts service quality, operational cost efficiency, and business continuity. An unmeasured and subjective selection process can lead to risks such as decreased service quality, delays in task completion, and cost overruns, which can significantly harm the company. This study discusses a case study of vendor selection for maintenance at PT Global Sarana Mediakom using the Analytical Hierarchy Process (AHP) method. PT Global Sarana Mediakom is an information technology company specializing in data communication and internet services, with an operational network spanning more than 15 cities. This research focuses on addressing inefficiencies and subjectivity in the maintenance vendor selection process, which has traditionally relied on the lowest price or direct appointment without measurable evaluation. The AHP method is employed to evaluate and select the best vendor based on three main criteria: resource capability, completion time, and maintenance service cost. Data were collected through interviews and questionnaires with the company's management. The data processing results indicate that Vendor A emerged as the best vendor with the highest priority score, followed by Vendor D, Vendor C, and Vendor B. The recommendations from this study include expanding the evaluation criteria and developing an AHP-based decision-support system to enable sustainable vendor management.

Keywords: Analytical Hierarchy Process (AHP), Criteria, Multi-Criteria Decision Making (MCDM), Vendor Selection

Introduction

Vendor selection is a crucial aspect of procurement management, as it directly impacts service quality, costs, and the company's operational continuity. [1]. Vendors not only serve as suppliers of goods or services but also act as strategic partners that can influence the company's competitive advantage through the quality, reliability, and efficiency of the services provided [2]. Therefore, errors in vendor selection can have significant consequences, including increased operational costs, reduced service quality, and decreased customer satisfaction. [3], [4]. In practice, many companies still rely on traditional approaches to vendor selection, such as focusing only on the lowest price or on historical relationships. These approaches tend to be subjective and unstructured, and they carry a high risk of leading in suboptimal decisions. [5], [6]. This condition is also present at PT Global Sarana Mediakom, where the maintenance vendor selection process is considered ineffective due to its focus on price offerings or direct appointment without a standardized evaluation methodology. As a result, various challenges arise, including non-competitive service costs, substandard work quality, and delays in task completion, leading to service downtime.

To address these issues, the company requires a more objective, measurable, and systematic decision-making approach. One relevant method is the Analytical Hierarchy Process (AHP), developed by Thomas L. Saaty [7]. AHP is part of the Multi-Criteria Decision Making (MCDM) methods that break down complex problems into a hierarchy of goals, criteria, sub-criteria, and alternatives, then assign quantitative weights to each criterion through pairwise comparisons [8], [9]. Decision-making is influenced by personal characteristics, environmental factors, and social backgrounds, with choices shaped by individuals' knowledge, experience, and assessment of risks and benefits [10]. The strength

of AHP lies in its ability to systematically integrate both qualitative and quantitative factors while providing a consistency test mechanism to ensure the reliability of the analysis results [7], [11].

Several previous studies have demonstrated the effectiveness of AHP in vendor selection. For example, AHP has been shown to enhance logistics reliability in truck procurement by leading to more accurate vendor selection. [5]. Another study emphasized that product quality and timely delivery are dominant factors in determining the best supplier using AHP. [6], [12]. Moreover, the AHP method has been proven to evaluate supplier performance comprehensively and to generate reliable, justifiable supplier rankings. [13]. One study from a supply chain management perspective uses AHP to select the best vendor based on five criteria: quality, delivery, cost, service, and information technology. [14]. The study [15] illustrates that the AHP, including its integration with the Analytic Network Process (ANP), can be effectively applied in material selection research, particularly in manufacturing and engineering studies that involve interdependent criteria for material properties and process requirements. Other research related to the AHP method is used to prioritize decision alternatives by integrating qualitative and quantitative evaluations, enabling the comparison of design solutions in high pedestrian flow areas and supporting the use of micro-simulation to understand pedestrian behaviour better[16].

In the software industry, AHP has also facilitated optimal decision-making by considering functionality, price, and vendor reputation [17]. These findings reinforce the argument that AHP can be effectively applied in the maintenance vendor selection at PT Global Sarana Mediakom. Therefore, the implementation of AHP is expected to assist the company in conducting a more comprehensive vendor evaluation based on resource capability, completion time, and maintenance costs. This approach not only reduces subjectivity in decision-making but also leads to more optimal vendor recommendations, thereby improving the effectiveness and efficiency of the company's operations [18] [19].

Research Methods

This research was conducted at PT Global Sarana Mediakom, a company engaged in information technology and telecommunications with an operational network. In its operations, the company requires vendor support for maintenance services of equipment and networks. Vendor selection is based on several criteria, namely resource capability, completion time, and maintenance service costs. Four vendor alternatives are considered in this study: Vendor A, Vendor B, Vendor C, and Vendor D.

The initial stage of the research began with a preliminary study through field observations, interviews with the Project Management and Network Operation Center (NOC) teams, and the collection of internal company data to identify issues and formulate the research objectives. The data consisted of primary data from a pairwise comparison matrix questionnaire and secondary data, including company profiles, vendor selection criteria, and maintenance vendor data. The data was then processed using the AHP method to determine the priority weights of each criterion and evaluate the vendor alternatives. A key advantage of the AHP method is its ability to integrate both objective and subjective considerations within the decision-making process [20]. The processed data was analyzed to identify the best maintenance vendor that most closely aligns with the company's operational needs. Based on the results, recommendations and suggestions for improvement were provided to assist the company in making vendor selections in a more objective, structured, and measurable manner.

Results and Discussion

Based on the criteria and vendor alternatives in the maintenance vendor selection process, the resulting AHP hierarchical structure is presented in Figure 1.

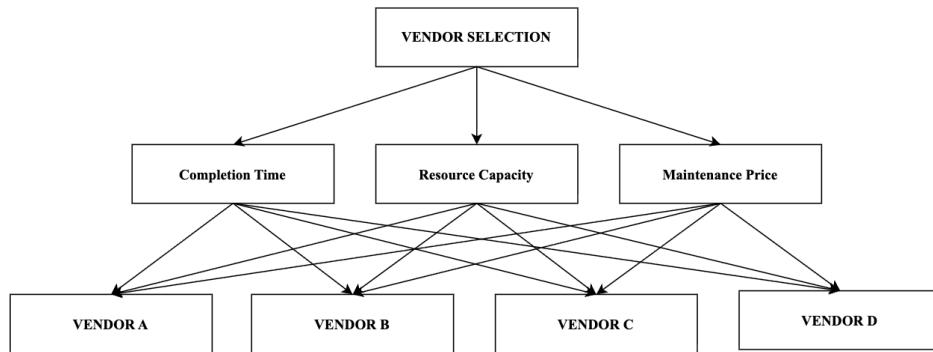


Figure 1. Vendor Selection Hierarchy Structure

AHP Calculation

The data used to assess the priority levels of the various criteria in vendor selection were obtained from questionnaires distributed to PT Global Sarana Mediakom's management. After the assessments were collected, the results were processed using the geometric mean method to generate a single comparison matrix. The following presents the pairwise comparisons among the criteria.

Table 1. Results of the Pairwise Comparison Matrix Between Criteria

| Criteria | Resource Capacity | Completion Time | Maintenance Price |
|-------------------|-------------------|-----------------|-------------------|
| Resource Capacity | 1 | 0.25 | 0.333 |
| Completion Time | 4 | 1.00 | 1.00 |
| Maintenance Price | 3 | 1.00 | 1.00 |
| Total | 9 | 2.25 | 2.333 |

After obtaining the pairwise comparison results, the normalization calculation of the pairwise comparison weights for each criterion was performed as follows:

Table 2. Normalization of Criteria Weight Assessment

| Criteria | Resource Capacity | Completion Time | Maintenance Price | Weight |
|-------------------|-------------------|-----------------|-------------------|----------|
| Resource Capacity | 0.1111 | 0.1111 | 0.14286 | 0.121693 |
| Completion Time | 0.4444 | 0.4444 | 0.42857 | 0.439153 |
| Maintenance Price | 0.3333 | 0.4444 | 0.42857 | 0.402116 |
| Total | 1 | 1 | 1 | 0.962963 |

The following are the pairwise comparison matrices for the criteria of Resource Capability, Completion Time, and Maintenance Price.

Table 3. Pairwise Comparison Matrix for the Resource Capability

| Resource Capacity | Vendor A | Vendor B | Vendor C | Vendor D | Total |
|-------------------|----------|----------|----------|----------|--------|
| Vendor A | 0.6481 | 0.6818 | 0.6944 | 0.4375 | 2.4619 |
| Vendor B | 0.1296 | 0.1364 | 0.1389 | 0.1875 | 0.5924 |
| Vendor C | 0.1296 | 0.1364 | 0.1389 | 0.3125 | 0.7174 |
| Vendor D | 0.0926 | 0.0455 | 0.0278 | 0.0625 | 0.2283 |
| Total | 1 | 1 | 1 | 1 | 4 |

Table 4. Pairwise Comparison Matrix for the Completion Time

| Completion Time | Vendor A | Vendor B | Vendor C | Vendor D | Total |
|-----------------|----------|----------|----------|----------|--------|
| Vendor A | 0.5769 | 0.6667 | 0.5556 | 0.5 | 2.2991 |
| Vendor B | 0.1154 | 0.1333 | 0.2222 | 0.1667 | 0.6376 |
| Vendor C | 0.1154 | 0.0667 | 0.1111 | 0.1667 | 0.4598 |
| Vendor D | 0.1923 | 0.1333 | 0.1111 | 0.0667 | 0.6034 |
| Total | 1 | 1 | 1 | 1 | 4 |

Table 5. Pairwise Comparison Matrix for the Maintenance Price

| Maintenance Price | Vendor A | Vendor B | Vendor C | Vendor D | Total |
|-------------------|----------|----------|----------|----------|--------|
| Vendor A | 0.0952 | 0.2222 | 0.0769 | 0.0897 | 0.4841 |
| Vendor B | 0.0476 | 0.1111 | 0.1538 | 0.1256 | 0.4381 |
| Vendor C | 0.1905 | 0.1111 | 0.1538 | 0.1570 | 0.6124 |
| Vendor D | 0.6667 | 0.5556 | 0.6154 | 0.6278 | 2.4654 |
| Total | 1 | 1 | 1 | 1 | 4 |

For each pairwise comparison matrix, the pairwise comparison weights were normalized, following the same procedure used for the criterion-to-criterion comparison matrix. The following are the AHP calculation results derived from each pairwise comparison table.

Table 6. Eigenvalue Results of the Pairwise Comparisons Between Criteria and Alternatives

| Overall Composite Height | Criteria | Vendor A | Vendor B | Vendor C | Vendor D |
|--------------------------|----------|----------|----------|----------|----------|
| Resource Capacity | 0.12169 | 0.07490 | 0.02802 | 0.2183 | 0.00695 |
| Completion Time | 0.43915 | 0.25242 | 0.07000 | 0.05048 | 0.06625 |
| Maintenance Price | 0.40212 | 0.04866 | 0.04405 | 0.06156 | 0.24785 |
| Weighted sum | 0.375998 | 0.13207 | 0.13387 | 0.32104 | |

Table 7. Pairwise Comparison Matrix for the Maintenance Price

| Vendor | Total Score | Rank |
|----------|-------------|------|
| Vendor A | 0.37598 | 1 |
| Vendor B | 0.32104 | 2 |
| Vendor C | 0.13387 | 3 |
| Vendor D | 0.13207 | 4 |

Table 8. Results of CI and CR Calculations for Each AHP Computation

| Criteria | CI | CR |
|-------------------|-------|-------|
| Resource Capacity | 0.080 | 0.089 |
| Completion Time | 0.043 | 0.048 |
| Maintenance Price | 0.077 | 0.086 |

The data are considered consistent if the Consistency Ratio (CR) is less than 0.1 (10%); otherwise, if the CR exceeds 10%, the decision-making process requires revision [21]. Based on the calculation, all CR values for the three criteria are below the acceptable threshold of 0.10, indicating that the pairwise comparison judgments are consistent and the AHP results are reliable.

Discussion

The consistency of the pairwise comparison judgments is a critical aspect of the AHP as it ensures the reliability and logical coherence of the decision-makers' evaluations. Based on the results presented in Table 8, the Consistency Ratio (CR) values for all three main criteria, Resource Capability (0.089), Completion Time (0.048), and Maintenance Price (0.086), are below the acceptable threshold of 0.10. This indicates that the pairwise comparison matrices used in this study are consistent and that the judgments provided by the management respondents are reliable, reflecting a clear and stable preference structure in evaluating the criteria and vendor alternatives.

Furthermore, the acceptable CR values support the robustness and validity of the final vendor ranking, in which Vendor A emerges as the most suitable maintenance vendor. Since inconsistencies in pairwise comparisons may lead to biased or misleading results, the consistency achieved in this study ensures that the selection outcomes are methodologically sound and can be confidently used as a basis for managerial decision-making. Consequently, the AHP-based vendor selection framework applied in this research provides a reliable, transparent, and systematic decision-support mechanism for PT Global Sarana Mediakom.

In the AHP results, the Resource Capability criterion (weight 0.12169) indicates that Vendor A obtained the highest score (0.6155). This indicates that the vendor has competent personnel and adequate equipment to deliver high-quality maintenance services that meet the company's standards. Resource capability is a crucial factor in ensuring work quality and enhancing network operation reliability.

Project completion time is crucial to align with the client's strategic objectives and planned facility use. [22]. In line with this perspective, the Completion Time criterion (weight 0.43915) is the company's highest priority, as maintenance delays can cause downtime that negatively impacts operational performance. Vendor A achieves the highest score in this aspect with a score of 0.5748, demonstrating its ability to complete tasks promptly and efficiently. Timeliness is an essential factor that must be ensured to maintain service continuity and customer satisfaction. This finding is consistent with previous studies in project-based procurement, which highlight delivery or completion time as a dominant criterion in vendor selection, as delays can significantly affect operational continuity and service performance. [23].

The Maintenance Price criterion (weight 0.40212) is also identified as an essential factor in vendor selection to ensure cost efficiency. Vendor D obtained the highest score for this criterion (0.6164), reflecting a competitive pricing offer that aligns with the company's budget. This approach supports the company in minimizing operational costs without compromising service quality. Based on the overall results, Vendor A emerges as the best vendor because it effectively balances sufficient resource capability and timely completion, which are the company's two main priority criteria. Vendor D ranks second, with a significant advantage in competitive pricing.

The application of the AHP method in this vendor selection process provides an objective, transparent decision-making framework that integrates multiple strategic criteria. This approach enables PT Global Sarana Mediakom to optimize operational performance through the selection of a vendor that is high-quality, timely, and cost-efficient. Suppliers play a critical role in project outcomes, as their performance directly affects the success or failure of overall business activities. [23], [24], [25].

Conclusion

The case study examines maintenance vendor selection using the Analytic Hierarchy Process (AHP) method, with three main criteria: resource capability, completion time, and maintenance cost. Using quantitative data from management interviews, the AHP was applied to compare vendor alternatives that meet the company's operational needs, ensuring consistency in the evaluation process. The results indicate that Vendor A ranks as the best maintenance vendor, followed by Vendor D, Vendor C, and Vendor B. Vendor A is considered the most suitable choice because it provides an optimal balance between superior resource capability and timely completion, which are the two primary criteria prioritized by the company. This combination enables Vendor A to deliver high-quality and efficient maintenance services. By applying the AHP method, the vendor selection process becomes more measurable, transparent, and accountable.

Future studies are recommended to include additional criteria, such as project experience and after-sales service quality, to improve the accuracy of vendor evaluation. The use of longitudinal data is also essential to assess the consistency of vendor performance over the long term. Furthermore, implementing an AHP-based system is necessary to ensure recommendations can be applied effectively in practice, enabling continuous monitoring and evaluation, as well as adjustments to the vendor selection method based on real-world outcomes.

References

- [1] R. B. Handfield, R. M. Monczka, James L. Patterson, and L. C. Giunipero, "Sourcing and Supply Chain Management," 2011.
- [2] H. Kerzner, "Project Management: A Systems Approach to Planning, Scheduling, and Controlling," 2025.
- [3] S. Chopra and P. Meindl, "Supply Chain Management: Strategy, Planning, and Operation," 2016.
- [4] L. M. Ellram, "The Supplier Selection Decision in Strategic Partnerships," 1990.
- [5] S. Handoko Sakti, M. Ikhsan, J. Hendro, M. Natser, L. Bambang Sugiyanto, and S. Tinggi Ilmu Ekonomi Indonesia, "YUME : Journal of Management Analysis of Vendor Selection Strategies for Truck Procurement Using the AHP Method at PT Winson Logistics," 2024.

- [6] D. N. Bernadeta and N. Fasa, "Implementasi Metode Analytical Hierarchy Process (AHP) dalam Pemilihan Supplier Coolant di PT. ABC," *Jurnal Ilmiah Universitas Batanghari Jambi*, vol. 25, no. 1, p. 936, Feb. 2025, doi: 10.33087/jiujb.v25i1.5710.
- [7] T. L. Saaty, "Decision making with the analytic hierarchy process," 2008.
- [8] C. Kahraman, "Fuzzy Multi-Criteria Decision Making: Theory and Applications with Recent Developments (Springer Optimization and Its Applications, 16)."
- [9] A. Mardani, A. Jusoh, K. M. D. Nor, Z. Khalifah, N. Zakwan, and A. Valipour, "Multiple criteria decision-making techniques and their applications - A review of the literature from 2000 to 2014," Sep. 11, 2015, *Taylor and Francis Ltd.* doi: 10.1080/1331677X.2015.1075139.
- [10] J. Stofkova, M. Krejhus, K. R. Stofkova, P. Malega, and V. Binasova, "Use of the Analytic Hierarchy Process and Selected Methods in the Managerial Decision-Making Process in the Context of Sustainable Development," *Sustainability (Switzerland)*, vol. 14, no. 18, Sep. 2022, doi: 10.3390/su141811546.
- [11] H. Taherdoost, "Decision Making Using the Analytic Hierarchy Process (AHP); A Step by Step Approach," 2017. [Online]. Available: <http://www.iaras.org/iaras/journals/ijems>
- [12] L. Alhaqy and H. C. Wahyuni, "Integrasi Metode VPI Dan AHP Untuk Pemilihan Supplier Kayu," *Metode Jurnal Teknik Industri*, vol. 9, no. 2, p. 2023, 2023.
- [13] D. Santoso and A. M. Besral, "Supplier Performance Assessment Using Analytical Hierarchy Process Method," *SINERGI*, vol. 22, no. 1, p. 37, Feb. 2018, doi: 10.22441/sinergi.2018.1.007.
- [14] M. Fariz Tiowiradin, "Analytical Hierarchy Process Model for Vendor Selection," 2021.
- [15] M. T. Mastura, R. Nadlene, R. Jumaidin, S. I. Abdul Kudus, M. R. Mansor, and H. M. S. Firdaus, "Concurrent Material Selection of Natural Fibre Filament for Fused Deposition Modeling Using Integration of Analytic Hierarchy Process/Analytic Network Process," *J Renew Mater*, vol. 10, no. 5, pp. 1221–1238, 2022, doi: 10.32604/jrm.2022.018082.
- [16] Muhamad Rizky, "Penggunaan Metode AHP (Analytical Hierarchy Process) Dalam Sistem Penunjang Keputusan: Systematic Literatur Riview," *Jurnal Penelitian Sistem Informasi (JPSI)*, vol. 2, no. 2, pp. 01–13, Mar. 2024, doi: 10.54066/jpsi.v2i2.1695.
- [17] A. Rani, D. Mishra, and A. Omerovic, "Multi-Criteria Decision-Making Methods: A Case of Software Vendor Selection," *TEM Journal*, vol. 13, no. 2, pp. 1218–1229, May 2024, doi: 10.18421/TEM132-35.
- [18] E. Turban, R. Sharda, and D. Delen, "Decision Support and Business Intelligence Systems," 2011.
- [19] R. Rahmayanti, "Analisis pemilihan supplier menggunakan metode analytical hierarchy process (ahp) (studi kasus pada PT Cazikhal)," *digilib UNS*, 2010.
- [20] D. Vural and E. Kose, "Selection of Alternative Filling Material in The Bed Production with AHP and ELECTRE Methods," 2020.
- [21] S. Ariyanti, A. Ismail, and A. Gunaryono, "Penilaian Kinerja Supplier Material Busa Menggunakan Metode Analytic Hierarchy Process (AHP)," 2020.
- [22] R. Wagh and S. V Joshi, "Multicriteria decision making for contractor selection," *International Research Journal of Engineering and Technology*, 2025, [Online]. Available: www.irjet.net
- [23] E. Głodziński and M. Szymborski, "Vendor selection criteria and formalization of project procurement management and governance," in *Procedia Computer Science*, Elsevier B.V., 2024, pp. 4470–4480. doi: 10.1016/j.procs.2024.09.297.
- [24] B. Liu, T. Huo, P. Liao, J. Gong, and B. Xue, "A group decision-making aggregation model for contractor selection in large scale construction projects based on two-stage partial least squares (PLS) path modeling," *Group Decis Negot*, vol. 24, no. 5, pp. 855–883, Sep. 2015, doi: 10.1007/s10726-014-9418-2.
- [25] M. Zolghadri, A. Amrani, S. Zouggar, and P. Girard, "Power assessment as a high-level partner selection criterion for new product development projects," *Int J Comput Integr Manuf*, vol. 24, no. 4, pp. 312–327, 2011.