## **ABSTRACT**

This study aimed to analyze the influence of technology, value chain, to increase firm performance in the achievement of Sustainable Competitive Advantage. The object of this research is Manding leather industry center which is in Yogyakarta. This study was to determine whether there is influence of Technology, Value Chain, the increase in Firm Performance in the achievement of Sustainable Competitive Advantage in the leather industry Manding Yogyakarta.

This study uses Census of Population and the amount of effort as much as 100 firms are divided on a firms that only makes leather products and firms that once had a salesperson. Data obtained by distributing questionnaires on perceptions of respondents about the purpose of research. The analysis technique used is AMOS structural equation models, to test the truth of influence together with the level of significant 5%. As well as the validity and reliability of the instrument to obtain unbiased data.

The study concluded that the technology, value chain has particularly influence on the increase in firms performance in the achievement of Sustainable Competitive Advantage. Simultaneously has linkages. Perceptions of respondents also showed that investation of technology and support by practitioners and academics to provide an understanding of the value chain and competitive advantage is also needed.

Keywords: Technology, Value Chain, Firms Performance, Sustainable Competitive Advantage, and SEM AMOS