

Strategy Development of Small Qualification Company in Construction Service Business Competition

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Abstract

This study will develop a strategy model for a small qualifying company in the field of Construction Services using the David model. In principle, there are three steps in David's model, namely the input stage, matching stage, and decision stage. The Analytical Hierarchy Process (AHP) is used to determine the weight of the internal and external factors of the strategy and the Quantitative Strategic Planning Matrix (QSPM) to determine the chosen alternative strategy. From the results of the External Factor Evaluation (EFE), Internal Factor Evaluation (IFE) and Competitive Profile Matrix (CPM) matrix at the input stage, the Strength-Weakness-Opportunity-Threat (SWOT) matrix, Strategic Position and Action Evaluation (SPACE), Grand Strategy (GS) at the matching stage which produces several alternative strategy proposals. Then the decision stage using the Quantitative Strategic Planning Matrix (QSPM) is selected the alternative strategy with the highest score. From the selected alternative strategy recommendations, a strategy model is then made with a new Business Model Canvas (BMC). The results of the research are expected to create an appropriate strategy to be used as a reference for small qualified Construction Service Companies to win the competition and be able to move up to the qualifications above (medium). Thus, the composition of small companies in Indonesia is increasingly ideal hence a good business competition climate will be created for small qualified construction services, besides that, a new strategy is also obtained for PT. ABC-U.

Keywords

business model canvas (BMC); small qualification; David's model; competition; strategy



I. Introduction

Construction services are one of the most attractive business fields for business people in the country. Like other businesses in general, business challenges in the Construction Services sector cannot be separated from competition between competitors. So that each company requires a strategy that is sustainable and relevant to current conditions.

Small and medium qualified companies dominate the composition of Construction Service Companies in Indonesia. 75.57% are small qualified companies and 14.30% are medium qualifications, while large qualified companies are only 0.97% of the total national construction companies. The remaining 9.16% are non-qualified companies, which means that the business entity certificate has expired or has not registered with the institution authorized to carry out the certification, namely LPJKN (Badan pusat statistik Indonesia, 2019).

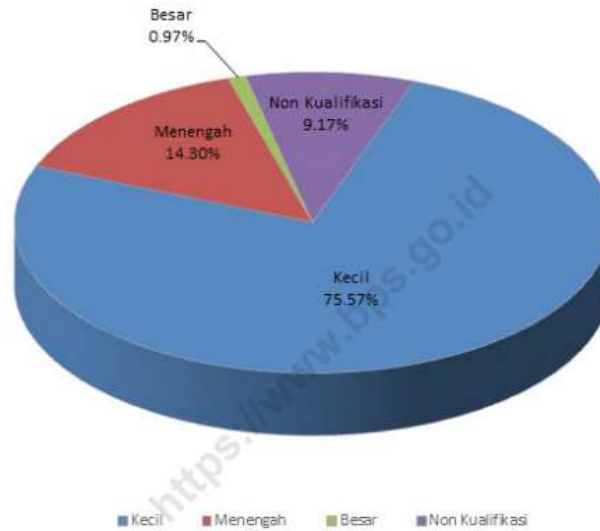


Figure 1. Indonesian Construction Company, Central Bureau of Statistics 2019

Table 1. Number of Construction Service Companies in Indonesia

Provinsi	Kecil	Menengah	Besar	Non Kualifikasi	Jumlah
(1)	(2)	(3)	(4)	(5)	(6)
11 Aceh	4 758	578	18	94	5 448
12 Sumatera Utara	5 592	873	35	456	6 956
13 Sumatera Barat	4 633	243	19	363	5 258
14 R i a u	5 808	839	49	1 102	7 798
15 J a m b i	2 371	267	10	310	2 958
16 Sumatera Selatan	2 693	614	40	207	3 554
17 B e n g k u l u	1 203	124	3	16	1 346
18 L a m p u n g	3 550	458	11	54	4 073
19 Kep. Bangka Belitung	697	55	2	174	928
21 Kepulauan Riau	1 598	404	12	-	2 014
31 D.K.I. Jakarta	1 769	6 472	804	669	9 714
32 Jawa Barat	8 251	2 765	82	-	11 098
33 Jawa Tengah	8 448	1 108	42	1 855	11 453
34 D.I. Yogyakarta	1 279	204	7	301	1 791
35 Jawa Timur	15 660	1 374	101	2 295	19 430
36 B a n t e n	1 982	583	36	543	3 144
51 B a l i	1 408	178	5	274	1 865
52 Nusa Tenggara Barat	2 599	142	13	944	3 698
53 Nusa Tenggara Timur	5 458	403	10	-	5 871
61 Kalimantan Barat	4 985	300	8	165	5 458
62 Kalimantan Tengah	1 564	284	21	43	1 912
63 Kalimantan Selatan	3 153	327	7	223	3 710
64 Kalimantan Timur	3 256	944	52	216	4 468
65 Kalimantan Utara	1 088	124	14	87	1 313
71 Sulawesi Utara	1 750	207	8	30	1 995
72 Sulawesi Tengah	2 840	221	9	18	3 088
73 Sulawesi Selatan	7 228	617	28	3 144	11 017
74 Sulawesi Tenggara	2 880	299	11	97	3 287
75 Gorontalo	549	103	2	67	721
76 Sulawesi Barat	1 032	53	1	112	1 198
81 Maluku	1 584	215	8	16	1 823
82 Maluku Utara	1 668	238	6	210	2 122
91 Papua Barat	2 810	389	26	192	3 417
94 Papua	4 240	772	41	329	5 382
INDONESIA	120 384	22 777	1 541	14 606	159 308

Source: Central Statistics 2019

Agency Business entities with small qualifications generally have limitations, including those related to working capital (financial) capabilities, mastery of technology, and management capabilities (A Asnudin, 2002). It is necessary to formulate a strategy so that small qualifying companies are able to increase competitiveness to maintain the company's existence while being able to raise the company's qualifications to a level above it.

In order to expand market opportunities, the private sector also needs to get the attention of small qualified companies. This sector can be an alternative, because in addition to the sources of APBN/APBD funds and investment activities of BUMN/BUMD, private investment also increases every year (Andi Asnudin, 2008).

In Law no. 2 of 2017 concerning Construction Services, it is stated that every construction service business entity must carry out sustainable business development with the aim of improving good business governance, having professional responsibilities including the responsibility of business entities to the community. Sustainable business development is organized by the association of construction service business entities. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). The success of leadership is partly determined by the ability of leaders to develop their organizational culture. (Arif, 2019).

To get the strategy in question, in this study 3 (three) Construction Services Companies were taken, namely PT. ABC-U as a company that is used as the main object in this study. Meanwhile, two other Construction Service Companies are used as a comparison of the existing condition of the strategy that has been implemented by PT. ABC-U.

PT. ABC-U is a Construction Services Company that was established in 2009. The sub-business of this company is Civil and Architectural with intermediate qualifications (M1). This company is a development of CV. ABC, which was founded in 2003, had a small qualification (K1) at the beginning. Along with the company's business development, in 2009 the management of CV. ABC decided to upgrade its qualifications to M1, with the requirements to fulfill the completeness of data on financial capability, construction workforce, work experience and company equipment. Where the classification and qualification assessment is based on regulations before the transition period of LPJK management.

The Company's experience from the beginning of being in a small qualification (K1) and finally becoming a medium qualification (M1) is expected to be able to make its experience a reference for developing a strategy for a small Qualification Company in the field of Construction Services.

In general, the company's products can be divided into three groups, namely Buildings and Industry, Residential Buildings, and Civil Buildings. The buildings that are being worked on include public buildings such as building support services for tourist attractions and shop houses. Meanwhile, industrial buildings are steel structure buildings for factories and warehouses. For residential buildings in the form of residential buildings and villas where PT. ABC-U as a vendor from a national developer. This sector is quite helpful in efforts to stabilize the company's annual turnover. In the third sector, most of the work on civil building facilities such as roads, retaining walls, building foundation structures and other supporting structures. From several work experiences, the company is dominated by jobs from the private sector.

The first comparison is CV. BDK is a small qualified company engaged in Construction Services with a concentration in Civil Building and Mechanical and Electrical Installation. This company was founded on April 24 2014. The first competitor

was a relatively young Small Qualification Company. The service users of this company are local governments who regularly launch work packages. Projects undertaken include Irrigation Channels, construction of Turab, Roads and Bridges.

CV. MA is the second comparison, a small qualifying company engaged in Construction Services with a concentration in Building and Civil Buildings. This company was established on December 23, 2002. The second comparison was chosen by a small qualifying company that has been around for a long time. The products of this company include bridge work and irrigation networks. Just like the first comparison, the second comparison also concentrates on government projects.

With this research, it is hoped that a strategy for Small Qualification Companies in the field of Construction Services will be obtained, so that there will be more Small Qualification Companies with good competitiveness and able to advance to the above qualifications. Thus, it is hoped that the composition of small and medium-sized qualifying companies will become more ideal which in the end will be able to create an ideal level of market competition as well.

The purpose of this study is 1. To know what factors are needed by a small qualified Construction Service Company in facing business competition. 2. Develop the right strategy for a small qualified Construction Service Company in the future.

There are several previous studies with a theme that is almost similar to what will be done. But there are some differences in this research including the object studied, the time and the method used. Tabulated, the position of this study compared to previous studies can be seen in Table 2.

Table 2. Previous research

no.	Title	Researcher	Year	Problem	Method	Results
1.	Corporate performance and diversification from a resource-based view: A comparison between small and medium-sized Austrian firms	Mario, Situm	2019	Effect of business diversification strategy on the performance of small and medium-sized companies in Austria	Hypothesis Testing with Linear Regression	Business diversification towards small companies has a greater risk probability when compared to companies with a larger size

2.	The concept of developing small-scale contractors	Surya Eka Priana	2019	Increasing the ability of small-scale contractors in the development of small companies	A concept on developing small-scale contractors	Efforts to improve the ability of small-scale contractors related to mastery of knowledge and skills in the bidding process, field management and business management
3.	Consistency of the influence of resources in supporting the competitiveness of the national shipyard	Maruf, Buana	2018	Analyzing is a the influence of Ship building Company resources	David Model for the Corporate Level	Intangible resources have a dominant influence on the shipbuilding business, and can create a competitive advantage for the company.
4.	Transit Oriented Development	Haris Sulaksmono Plans a Strategy	2019	Property Developer Company in developing the Transit Oriented Development (TOD) business in Jakarta to win the competition	AHP, David's concept modified for Business Level	A strategic recommendation for PT XYZ to conduct joint operations with PT APG which is a construction company and PT APB which is a precast concrete company in winning the TOD business competition.

5.	Strategy model for developing the competitiveness of construction services consultants	Kartono Wibowo, et al	2016 The	weak competitiveness of consultants in Indonesia even though the role of consultants is very important so that it is necessary to formulate the competitive competitiveness of Consulting Companies	FGD, SWOT	Several factors that can affect the competitiveness of consulting companies, namely Conditions Internal consulting firm (management system and company resources) and external conditions of consulting firm (work/project/micro environment, business competition conditions)
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THIS RESEARCH

Strategy development of Small Qualified Companies in the Competition of the Construction Services business	2021	Develop strategy of Services Small Qualification Company Construction	AHP, David Concept, BMC	Expected to be able to develop the right strategy for small companies to face competition and raise qualifications at the level above (medium)
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Description:

- AHP = Analytical Hierarchy Process
- SWOT = Strength-Weakness-Opportunity-Threat
- FGD = Focus Group Discussion
- BMC = Business Model Canvas.

II. Research Method

In this study using qualitative methods. Qualitative research can be understood as a research procedure that utilizes descriptive data, in the form of written or spoken words from observable people and actors. Qualitative research is conducted to explain and analyze phenomena, events, social dynamics, attitudes, beliefs, and perceptions of a person or group towards something. While the systematics of writing a research proposal consists of three chapters with the aim of presenting a clear research proposal and focusing on the issues raised.

It is very important to use research methodology as a guide to ensure that research is carried out systematically according to the chosen methodology and to obtain satisfactory results and benefits for the parties concerned. To achieve the goal, a clear research outline is needed to assist and direct the researcher step by step in solving the problem until the conclusion of the research is obtained.

To describe the stages of the research, a flow chart is prepared to provide an overview of the research starting from the stage of problem identification, data collection, data analysis and discussion, then conclusions and suggestions are drawn. The research steps are described in Figure 2.

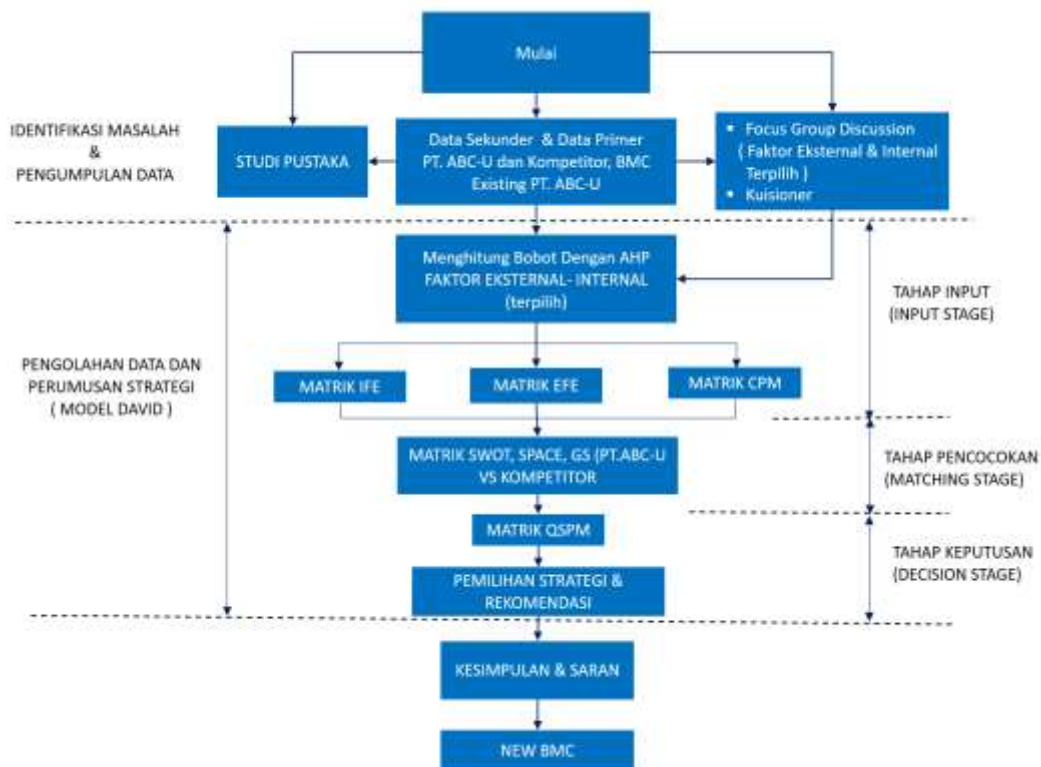


Figure 2. Research Flowchart

Collection Techniques

a. Primary Data Data Collection

data collection was carried out by conducting questionnaires to the leaders or decision makers at PT. ABC-U and two comparison companies, which in the previous stage had been conducted Forum Group Discussion (FGD) to determine the most decisive external and internal factors in the Construction Services business process at Small Qualifying Companies. Questionnaire is a data collection technique by giving a set of

questions or written statements to respondents to answer them (Sugiyono, 2013). In the activities, FGD apart from involving the company's leaders, PT. ABC-U and the head of the comparison company also involved representatives of service users, and the head of one of the Associations of Companies in East Java. Moh. Uzer Usman (2005:94), states that group discussion is an orderly process that involves a group of people informally to deal with interactions with various experiences or information, conclusions or solutions to a problem. The FGD in this study was conducted to determine the most decisive external and internal variables in the small qualified Construction Services business.

b. Secondary Data Collection

Data is supporting data related to research objectives obtained from existing data in the company PT. ABC-U and two comparison companies. The secondary data included in this study include sales data, financial data, and other necessary data. Besides that, secondary data is also in the form of literature, sources from the internet, papers, journals and other sources that are closely related to research.

c. Data Processing and Analysis

Before entering the strategy formulation stage with the David model, in this study a scanning of the existing strategy of PT. ABC-U with Business Model Canvas (BMC). Then for data processing and analysis, it will be preceded by the Analytical Hierarchy Process (AHP) to calculate the weight of each external and internal factor that is the most decisive in the preparation of the selected strategy according to the data obtained from the Group Discussion Forum (FGD).

III. Results and Discussion

3.1 Data Collection

a. Collection Secondary Data

In this study, secondary data in the form of business process reports PT. ABC-U and two other companies that became the object of research. The data taken are in the form of annual sales value, organizational structure and other related data, as well as literature study.



Figure 3. Organizational Structure of PT. ABC-U

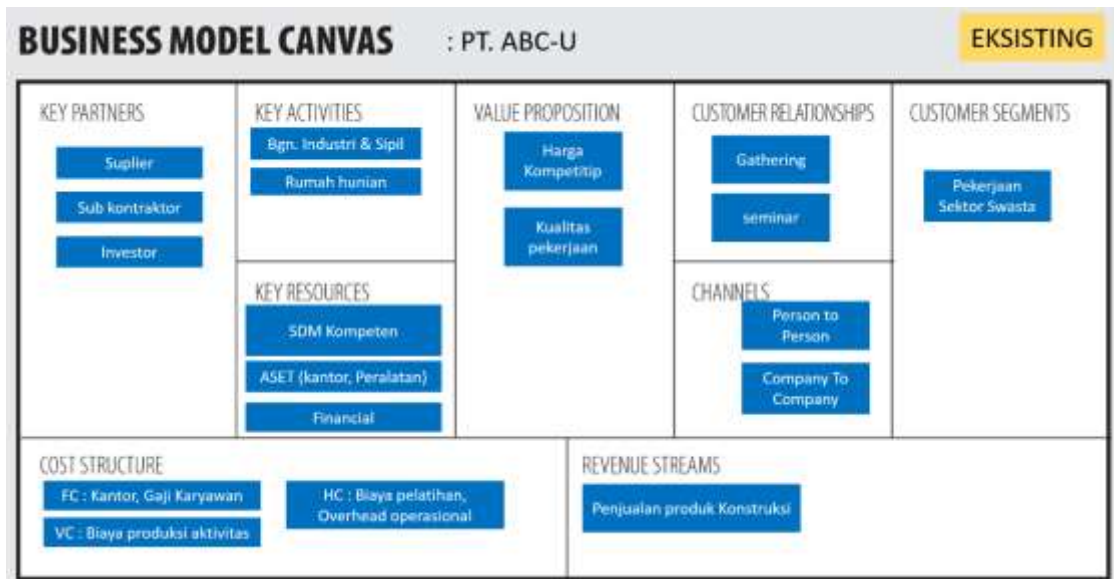


Figure 4. BMC PT. ABC-U Existing



Figure 5. Organizational Structure of CV. BDK



Figure 6. Organizational Structure of CV. MA

Table 3. Annual Sales Data of PT. ABC-U in Small Qualification Phase

No.	Perusahaan	Penjualan Tahunan (dalam Jutaan Rupiah)					
		2009	2010	2011	2012	2013	2014
1	PT. ABC-U	450.00	575.00	740.00	1,000.00	2,500.00	3,500.00

Source: Company's annual sales report

Table 4. Annual Sales Data

No.	Perusahaan	Penjualan Tahunan (dalam Jutaan Rupiah)					
		2015	2016	2017	2018	2019	2020
1	PT. ABC-U	8,000.00	9,000.00	10,000.00	13,000.00	12,750.00	10,000.00
2	CV. BDK	375.00	450.00	400.00	650.00	425.00	500.00
3	CV. MA	450.00	575.00	315.00	475.00	350.00	460.00

Source: Company's annual sales report

b. Primary Data Collection

The initial stage of primary data collection was carried out by Focus Group Discussion (FGD) to determine the external and internal factors that were considered the most decisive for the success of Small Qualification Companies in the Construction Services sector in running their business, then proceeded to the questionnaire stage. The distribution and filling of questionnaires was carried out to obtain consideration from several Construction Services business people who are competent in their fields, and applied to the method Analytical Hierarchy Process (AHP). The quality of data from respondents on the application of the method AHP is preferred, and does not depend on the quantity (saaty, 1993). Therefore, the AHP assessment requires business people or experts as respondents in making decisions in the selection of alternatives. The participants FGD and respondents in this study are people who control, influence policy making or really know the information needed. The participants FGD in this study were as follows:

1. General Chairman of the Association of Construction Services Companies-GS
2. Technical Director of PT. ABC-U
3. Technical Manager of PT. GO
4. Director of CV. BDK
5. Director of CV. MA

From the FGD, internal and external factors were obtained which were considered the most decisive in developing the Small Qualified Construction Services business strategy as presented in table 5.

Table 5. The most decisive Internal and External Factors in the Small Qualification Construction Services Business as a result of the FGD.

FAKTOR INTERNAL & EKSTERNAL		PENJELASAN
FAKTOR INTERNAL	Legalitas Perusahaan	Struktur Organisasi yang mendukung bisnis
	Kompetensi Karyawan	Kompetensi karyawan sesuai bidangnya
	Dukungan Peralatan	Peralatan yang cukup modern
	Inovasi dan kualitas Pimpinan	Inovasi dan mindset membawa arah strategi
	Modal Kerja	Keseimbangan Casflow
	Harga Jual Produk	Harga jual sesuai dengan kualitas
	Kualitas Produk	Kualitas sesuai keinginan Customer
	Jaringan bisnis	Kemitraan atau relasi
FAKTOR EKSTERNAL	Perusahaan Pendatang Baru	Pendatang baru dengan usaha yang sejenis
	Kenaikan Harga Alat dan Bahan	Kenaikan harga dan alat utama
	Persaingan Tidak Sehat	Upaya KKN dan harga tidak wajar
	Tingkat Suku Bunga Bank	Suku bunga Bank yang menarik
	Dukungan Kebijakan Pemerintah	Dukungan Pemerintah kepada usaha kecil
	Intervensi Kebijakan Pemerintah	Intervensi untuk melindungi usaha kecil
	Perubahan Undang-Undang	Perubahan Undang-undang yang mendasar
	Penggunaan Teknologi	Kewajiban penggunaan Teknologi IT

3.2 Data Processing

a. Validity Testing Data

Validation in this study was obtained from the competence of each participant of the Focus Group Discussion (FGD) as well as the respondents who are business actors, persons in charge and strategic decision makers of the selected company, so that the decisions taken are absolute decisions of the company as a whole and must be implemented, without the need for validity testing. Thus all decisions and the resulting data are valid.

Meanwhile, for data reliability testing that follows the previous validity test, it is also not necessary because it is considered that the data or decisions generated in the weighting process have uni inconsistencies, where test results that exceed the inconsistency requirement of 10% will be removed or not used in the analysis.

b. Calculation of Weights Using AHP

Before formulating a strategy, three matrices are needed as the input stage of the strategy. The three matrices are, matrix IFE (Internal Factor Evaluation), EFE Matrix (External Factor Evaluation), and CPM Matrix (Competitive Profile Matrix). Therefore, weighting and rating data are needed for each of these factors. The method used in this weighting is the method Analytical Hierarchy Process (AHP), which is a comparative judgment of all the factors that have been selected through FGD and identified through a questionnaire. Priority is carried out using an importance scale of 1-9 according to the scale AHP Saaty. The assessment of the priority of two elements applies reciprocal axioms, so that in the end it will produce a pairwise comparison matrix.

c. Data Processing Analysis

This data processing is intended to obtain an appropriate competitive strategy formulation for small qualified construction services companies in accordance with the current internal and external conditions of the company. The formulation of this competitive strategy uses the matrix SWOT, the SPACE matrix, the Grand Strategy (GS)

matrix and the matrix QSPM. This data processing consists of three stages, namely the input stage which is the beginning of the research including internal and external analysis of the company, then the matching stage includes the matrix SWOT, SPACE and GS, and the decision stage where it is concluded that the right competitive strategy for PT.ABC-U with using the matrix tool QSPM.

3.3 Analysis of Strategy Formulation

a. Input Stage Analysis

As previously explained, this research consists of three stages, one of which is the input stage. The input of this research is the internal and external factors of PT. ABC-U and two other companies as research objects. As an input stage in the formulation of competitive strategy, it is necessary to prepare three matrices, including the matrix IFE (Internal Factor Evaluation), matrix EFE (External Factor Evaluation) and Competitive Profile Matrix (CPM).

b. IFEMatrix Analysis

Matrix Of internal factors (Internal Factor Evaluation) is a matrix that displays the internal factors affecting the company in its business. The IFE matrix is used to evaluate the internal factors of a company, in this study the company PT. ABC-U. These internal factors include strengths, which are positive factors for the company and weaknesses, which are negative factors for the company. The Outcome factors were FGD and questionnaire weighted and assessed through the AHP. From the results of the weighting and assessment obtained previously, the multiplication between the weight value and the rating value was carried out, in order to obtain the matrix of IFE PT. ABC-U as in table 6.

Table 6. Matrix IFE (Internal Factor Evaluation) PT. ABC-U

FAKTOR INTERNAL & EKSTERNAL		S/W	BOBOT (B) %	RATING (R)	(B)*®
FAKTOR INTERNAL	Legalitas Perusahaan	S	0.18	4.00	0.73
	Kompetensi Karyawan	S	0.13	4.00	0.53
	Dukungan Peralatan	S	0.10	4.00	0.38
	Inovasi dan kualitas Pimpinan	S	0.12	4.00	0.47
	Modal Kerja	W	0.10	2.00	0.20
	Harga Jual Produk	S	0.13	3.00	0.38
	Kualitas Produk	S	0.17	3.00	0.50
	Jaringan bisnis	W	0.08	3.00	0.23
TOTAL SKOR			1.00		3.43

Description of the value (rating):

- 1 = the company's response is less
- 2 = the company's response is mediocre
- 3 = the company's response is above the average
- 4 = the company's response is high

Based on the matrix IFE in table 4.4, it can be seen that the total score obtained by PT. ABC-U for internal factors is 3.43. The strength factor that has the biggest role is the legality of the company with a score of 0.73 and followed by employee competence with a score of 0.53. The strength factors that have a positive role must be utilized as well as possible by the company. From the matrix, IFE it can also be seen that the biggest

weakness factor for PT. ABC-U is a business network with a score of 0.23 and working capital with a score of 0.20. Weakness factors that have a negative role for the company must be improved with the strengths and opportunities of the company in order to compete in the Construction Implementation Services business.

c. EFE Matrix Analysis

External Factor Evaluation (EFE) is a matrix that displays external factors that affect the organization or company in running its business. The Matrix is EFE used to evaluate the external factors of a company, in this study the Construction Services company PT. ABC-U. These external factors include opportunities (opportunities) which are positive factors for the company and threats (threats) which are negative factors for the company. The Outcome factors were FGD and questionnaire weighted and assessed through the AHP. From the results of the weighting and assessment, then the multiplication between the weight value and the rating value is carried out, so that the matrix of IFE PT. ABC-U as in table 7.

Table 7. Matrix EFE (External Factor Evaluation) PT. ABC-U

FAKTOR EKSTERNAL	T/O	BOBOT (B) %	RATING (R)	(B)*(R)
Perusahaan Pendatang Baru	T	0.03	2.00	0.05
Kenaikan Harga Alat dan Bahan	T	0.11	3.00	0.33
Persaingan Tidak Sehat	T	0.21	3.00	0.64
Tingkat Suku Bunga Bank	O	0.08	4.00	0.31
Dukungan Kebijakan Pemerintah	O	0.08	3.00	0.25
Intervensi Kebijakan Pemerintah	O	0.07	3.00	0.22
Perubahan Undang-Undang	T	0.21	4.00	0.85
Penggunaan Teknologi Berbasis IT	O	0.20	2.00	0.40
TOTAL SKOR		1.00		3.07

Description of the value (rating):

- 1 = the company's response is less
- 2 = the company's response is mediocre
- 3 = the company's response is above the average
- 4 = the company's response is high

Based on the matrix EFE in table 4.5, it can be seen that the total score obtained by PT. ABC-U for external factors is 3.07. The opportunity factor that has the biggest role is the use of technology with a score of 0.40 and followed by bank interest rates with a score of 0.31. Opportunity factors that have a positive role must be utilized as well as possible by the company. From the matrix EFE above, it can also be seen that the biggest threat factors for companies are changes to laws with a score of 0.85 and unfair competition with a score of 0.64. Threat factors that have a negative role for the company must be faced with the strengths and opportunities of the company so that PT. ABC-U can compete in the Construction Services business.

d. CPM Matrix Analysis

CPM (Competitive Profile Matrix) is an important strategic management tool to identify the strengths and weaknesses of major competitors in relation to the company's strategic position. This device is used at the input stage. CPM shows a clear picture of the company's relative strong points and weak points against competitors. CPM assessment is measured based on the critical success factors, where each factor is measured on the same

scale for each company, but with varying ratings making it easier for comparative analysis to be carried out. In CPM, the analysis is carried out as a whole, both internal and external factors. This is different from the assessment of the company's internal and external conditions through Internal Factor evaluation (IFE) and External Factor Evaluation (EFE) where only internal and external factors are used. In relation to the scope of the research which is a research with case studies on Construction Services companies, the critical success factors according to the FGD results include six aspects, including: company legality, government policy support, product quality, innovation and leadership quality, employee competence and utilization of technological advances. .

Each of these critical success factors is given a weighting and rating, then processed using the method Analytical Hierarchy Process (AHP). From the results of the weighting and assessment obtained, then the multiplication of the weight value and rating value for each company and the key success factors, in order to obtain a competitive profile matrix (Competitive Profile Matrix) as table 4.6.

Table 8. Competitive Profile Matrix (CPM) of PT. ABC-U and Two Other Companies

FAKTOR PENENTU STRATEGI	BOBOT (B) %	PT. ABC-U		CV. MDK		CV. MA	
		Rating (R)	(B)*(R)	Rating (R)	(B)*(R)	Rating (R)	(B)*(R)
Legalitas Perusahaan	0.04	4.00	0.15	3.00	0.11	4.00	0.15
Dukungan Kebijakan Pemerintah	0.07	3.00	0.22	3.00	0.22	3.00	0.22
Kualitas Produk	0.29	4.00	1.17	3.00	0.88	3.00	0.88
Inovasi dan kualitas Pimpinan	0.22	3.00	0.67	3.00	0.67	3.00	0.67
Kompetensi Karyawan	0.18	3.00	0.53	3.00	0.53	3.00	0.53
Pemanfaatan Kemajuan Teknologi	0.20	4.00	0.79	4.00	0.79	4.00	0.79
TOTAL SKOR	1.00		3.53		3.20		3.23

Based on table 8. Competitive Profile Matrix, it can be seen that PT. ABC-U has a strong level of competitive competence with a total score of 3.53. The order of the level of competitive competence owned by each company from the highest is PT. ABC-U, CV. MA and CV. MDK.

e. Match Stage Analysis

The next stage in strategy formulation is the matching stage. After compiling the input stage consisting of the matrix IFE, matrix EFE and CPM matrix, then proceed with the matching stage using three tools, namely: SWOT matrix, SPACE matrix and matrix Grand Strategy (GS).

f. Matrix Analysis SWOT

The Matrix SWOT is a tool that can be used to develop four strategic options, including the SO (Strengths-Opportunities) strategy is a strategy used by the company by optimizing its strengths to take advantage of the various opportunities that exist, the WO (Weakness-Opportunities) strategy is a strategy that the company uses to cover as much as possible the existing deficiencies of opportunities from external factors, the strategy ST (Strengths-Threats) by taking advantage is a strategy used by the company by utilizing strengths as optimally as possible to deal with threats from external factors, and the strategy WT (Weakness-Threats) is strategies to minimize company weaknesses and avoid existing threats. The key to the success of the matrix SWOT is to bring together internal and external factors to form a strategy. matrix SWOT is a systematic identification of various

factors to formulate corporate strategy. This matrix is based on the logic that maximizes the strengths and opportunities, but simultaneously to minimize the weakness and threats.

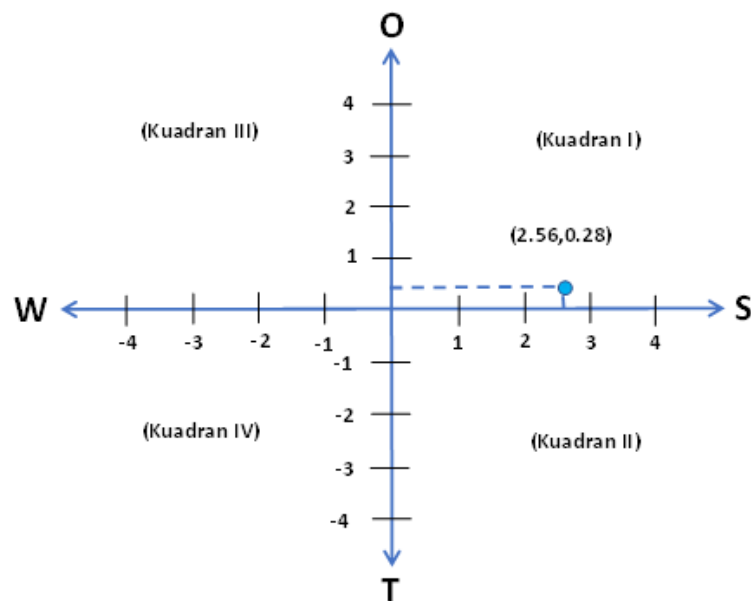


Figure 7. Position of the SWOT Quadrant of PT. ABC-U

Table 9. SWOT Matrix of PT. ABC-U

INTERNAL		STRENGTH		WEAKNESS	
		S1 Legalitas Perusahaan S2 Kompetensi Karyawan S3 Dukungan Peralatan S4 Inovasi dan kualitas Pimpinan S5 Harga Jual Produk S6 Kualitas Produk		W1 Modal Kerja W2 Jaringan bisnis	
EKSTERNAL		STRATEGI S-O		STRATEGI W-O	
OPPORTUNITIES		STRATEGI S-O		STRATEGI W-O	
O1	Tingkat Suku Bunga Bank	SO1	Pengembangan usaha kepasar yang memprioritaskan kelengkapan dokumen dan legalitas perusahaan dengan memanfaatkan kemajuan teknologi (S1,S2,S3,S4,O2,O4)	WO1	Memaksimalkan Fasilitas Perbankan untuk Membangun jaringan Bisnis Baru (W1,W2,O1,O2,O4)
O2	Dukungan Kebijakan Pemerintah	SO2	Update peralatan dengan teknologi terbaru untuk meningkatkan kualitas Produk (S2,S4,S3,O4,O2)		
O3	Intervensi Kebijakan Pemerintah				
O4	Pemanfaatan Kemajuan Teknologi				
THREATS		STRATEGI S-T		STRATEGI W-T	
T1	Perusahaan Pendaatang Baru	ST1	Memaksimalkan kemampuan Inovasi dan metode kerja untuk meningkatkan kualitas Produk dalam menghadapi tantangan (S3,S2,S1,S4,T1,T2,T3,T4)	WT1	Memperkuat Jaringan Bisnis dan stabilitas Perusahaan dengan diversifikasi terkait (W2,T1,T2,T3)
T2	Kenaikan Harga Alat dan Bahan				
T3	Persaingan Tidak Sehat				
T4	Perubahan Undang-Undang				

Based on the matrix of SWOT PT. ABC-U in table 4.7, there are four competitive strategies that are suitable for the company, including:

1. Market development, which is included in this strategy is the SO1.
2. Product development, which is included in this strategy is SO2, ST1.
3. Related diversification (related development), which is included in this strategy is WT1.
4. Diversification Unrelated (unrelated development), which is included in this strategy is WO1.

g. SPACE Matrix Analysis

The Strategic Positioning and Action Evaluation (SPACE) Matrix is one of the matrices used by a company to determine what strategy is most appropriate to implement. In this matrix there are four quadrant frameworks that can determine whether aggressive, conservative, defensive, or competitive is the most appropriate for the company. In the matrix SPACE there are axes that cross vertically and horizontally. These axes are the internal and external dimensions of a company. The internal dimension consists of financial strength (financial position-FP) and competitive advantage (competitive position-CP) while the external dimension consists of environmental stability (stability position-SP) and industrial strength (industrial position-IP). In this study, discussions with one of the management of PT. ABC-U is used to determine the scale of the internal and external dimensions of the Construction Services business as shown in table 4.8.

Table 10. Internal and external dimensions of PT. ABC-U

INTERNAL ANALYSIS		EKSTERNAL ANALYSIS	
FINANCIAL POSITION (FP)		STABILITY POSITION (SP)	
Pengembalian Investasi	5	Tingkat Inflasi	-3
Pemakaian dana Pinjaman	4	Perubahan Teknologi	-4
Likuiditas	6	Permintaan Pasar	-4
Modal Kerja	6	Tingkat Persaingan	-2
Cash Flow	5	Hambatan Memasuki Pasar	-3
FINANCIAL POSITION (FP) AVERAGE	5.2	STABILITY POSITION (SP) AVERAGE	-3.2 2.00 Y
INTERNAL ANALYSIS		EKSTERNAL ANALYSIS	
COMPETITIVE POSITION (CP)		INDUSTRY POSITION (IP)	
Market Share	-4	Growth Potential	5
Kualitas Produk	-5	Stabilitas Keuangan	4
Customer Loyalty	-3	Kemudahan Memasuki Pasar Konstruksi	4
Pemahaman Teknologi	-6	Pemanfaatan Sumber daya	6
Harga Jual	-5	Potensi Keuntungan	5
COMPETITIVE POSITION (CP) AVERAGE	-4.6	INDUSTRY POSITION (IP) AVERAGE	4.8 0.20 X

From table 10, the SPACE matrix is prepared to determine the position of PT XYZ according to Figure 8.

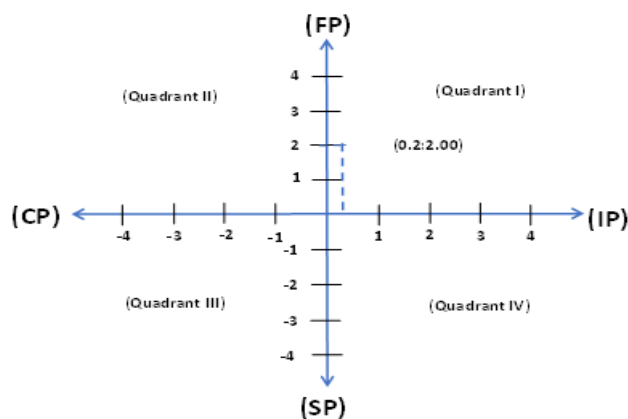


Figure 8. Matrix of SPACE PT. ABC-U

From the results of the matrix SPACE above, it can be seen that the position of PT. ABC-U is in the aggressive quadrant (top right) of the matrix SPACE, it can be concluded that PT. ABC-U is currently in a good position, for that the company is expected to be able to use its internal strengths to take advantage of external opportunities, overcome internal

weaknesses, and avoid external threats. The ways that can be done are market penetration, market development, product development, backward integration, forward integration, horizontal integration, and diversification both related and unrelated.

h. GS Matrix Analysis

Grand Strategy Matrix (GS) is a tool for formulating alternative strategies. With GS, a company is positioned into four quadrants, based on market growth in the industry and the company's competitive capabilities. When viewed from the level of competence, PT. ABC-U has a fairly good competitive rate. Judging from the competition profile matrix (table 4.6), PT. ABC-U with its comparisons, namely CV. MDK and CV. MA, it appears that PT. ABC-U has the best competency score of 3.53 compared to its comparisons, namely CV. MA 3.23 and CV. MDK with a score of 3.20 and. Based on the level of the total IFE score of 3.43 and the total EFE score of 3.40, a can be compiled Grand Strategy Matrix as shown in Figure 9. below

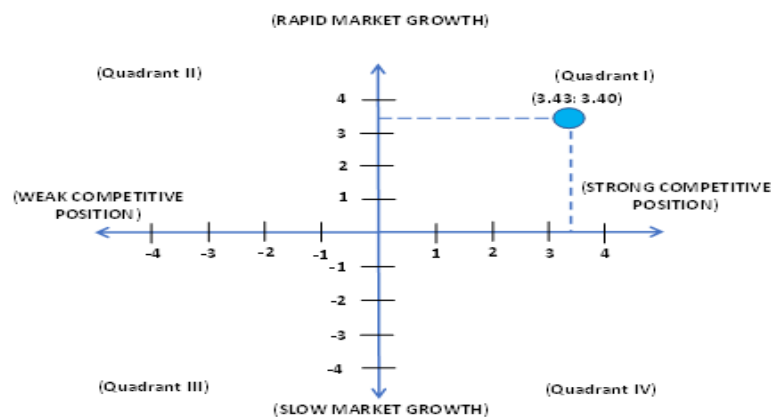


Figure 9. Grand Strategy Matrix PT. ABC-U

It can be seen from the Grand Strategy Matrix above, PT. ABC-U occupies a position in quadrant I. According to theory, quadrant I is the most profitable situation because in addition to the company operating in an industry that has high growth, the company also has a strong competitive position. This condition supports the company to carry out an aggressive strategy. Thus, the appropriate strategy for a company that occupies a quadrant I position is an aggressive strategy. Aggressive strategy that can be used by PT. ABC-U includes:

1. Product development strategy
2. Market development strategy
3. Market penetration strategy
4. strategy Backward integration
5. strategy Forward integration
6. Diversification strategy

i. Decision Stage Analysis (QSPM Matrix)

Based on the results of strategy formulation assisted by three tools (SWOT Matrix, Matrix SPACE and Grand Strategy Matrix), a comparison of alternative strategies that can be used by PT. ABC-U according to table 11 below:

Table 11. Comparison of alternative strategies for PT. ABC-U

STRATEGI ALTERNATIF	MATRIK SWOT	MATRIK SPACE	MATRIK GS	TOTAL
Integrasi Ke Depan		√	√	2
Integrasi Ke Belakang		√	√	2
Integrasi Horizontal		√		1
Penetrasi Pasar		√	√	2
Pengembangan pasar	√	√	√	3
Pengembangan Produk	√	√	√	3
Diversifikasi Terkait	√	√	√	3
Diversifikasi Tidak Terkait	√	√	√	3

From the results of the comparison of alternative strategies in table 11, it can be seen that there are four alternative strategies that have the highest total value formulated by the three tools, the alternative strategies are:

1. Market development strategy
2. strategy Product development
3. Related diversification strategy
4. Diversification strategy (Unrelated development)

Of the four most widely formulated alternative strategies above, it is necessary to determine which strategy is most appropriate to the current state of the company, by assessing each of the six strategies in table 4.9 using the method Quantitative Strategic Planning Matrix (QSPM). This technique clearly shows which strategy is best to choose. QSPM is a recommended tool for strategists to evaluate alternative strategy options objectively, based on the internal-external key success factors that have been previously identified through the matrices IFE and EFE.

The assessment on the matrix QSPM is the same as the matrices IFE and EFE, namely on a scale of 1-4, where the higher value indicates that the strategy is in accordance with the company's conditions. This method is a method for choosing which strategy is most suitable by choosing the strategy with the highest Total Attractive Score (TAS) . Table 4.10 is the result of the matrix assessment QSPM from the comparison of alternative strategies that have been carried out in the previous stage.

Table 12. Matrix QSPM PT.ABC-U

FAKTOR INTERNAL dan EKSTERNAL BISNIS PEKERJAAN KONSTRUKSI KUALIFIKASI KECIL		BOBOT	Pengembangan pasar		Pengembangan Produk		Diversifikasi Terkait		Diversifikasi Tidak Terkait	
			Masuk Pasar Sektor Pemerintahan		Menciptakan Metode Kerja Baru yang Inovatif		Membuka Usaha Perdagangan Bahan Konstruksi		Membuka Bisnis Baru di Bidang Perkebunan	
			AS	TAS	AS	TAS	AS	TAS	AS	TAS
FAKTOR INTERNAL	Legalitas Perusahaan	0.18	3.00	0.55	3.00	0.55	3.00	0.55	3	0.55
	Kompetensi Karyawan	0.13	3.00	0.40	3.00	0.40	3.00	0.40	3	0.40
	Dukungan Peralatan	0.10	3.00	0.29	3.00	0.29	3.00	0.29	3	0.29
	Inovasi dan kualitas Pimpinan	0.12	3.00	0.35	3.00	0.35	3.00	0.35	3	0.35
	Modal Kerja	0.10	2.00	0.20	2.00	0.20	2.00	0.20	2	0.20
	Harga Jual Produk	0.13	3.00	0.38	2.00	0.26	3.00	0.38	2	0.26
	Kualitas Produk	0.17	3.00	0.50	3.00	0.50	3.00	0.50	2	0.33
	Jaringan bisnis	0.08	2.00	0.15	2.00	0.15	3.00	0.23	2	0.15
	1.00									
FAKTOR EKSTERNAL	Perusahaan Pendetang Baru	0.03	2.00	0.05	1.00	0.03	1.00	0.03	1	0.03
	Kenaikan Harga Alat dan Bahan	0.11	2.00	0.22	2.00	0.22	2.00	0.22	1	0.11
	Persaingan Tidak Sehat	0.21	3.00	0.64	2.00	0.43	3.00	0.64	1	0.21
	Tingkat Suku Bunga Bank	0.08	2.00	0.16	2.00	0.16	2.00	0.16	1	0.08
	Dukungan Kebijakan Pemerintah	0.08	3.00	0.25	2.00	0.17	1.00	0.08	1	0.08
	Intervensi Kebijakan Pemerintah	0.07	2.00	0.15	2.00	0.15	1.00	0.07	1	0.07
	Perubahan Undang-Undang	0.21	3.00	0.64	2.00	0.43	1.00	0.21	1	0.21
	Pemanfaatan Kemajuan Teknologi	0.20	2.00	0.40	3.00	0.60	2.00	0.40	3	0.60
	1.00		5.34		4.87		4.71		3.93	

Description of assessment (rating):

- 1 = strategy that is not suitable
- 2 = strategy that is not suitable
- 3 = strategy that may be suitable
- 4 = strategy that is very suitable

Based on the results of the assessment QSPM in table 4.10, it can be seen that the three alternative strategies that are most suitable for the condition of the company PT. ABC-U at this time is a market development by entering a new market, the government sector. Alternative market development received TAS by 5:34 higher than product development strategy with a TAS 4.87 and related diversification strategy with a TAS. 4.71.

j. Strategy Selection Analysis

From the results QSPM obtained alternative strategy Attractive Total Score (TAS) is the highest market development strategy (market development) with TAS at 5:34. Market development strategy is a growth strategy by attracting more new customers for existing products. In other words, the company must find new segments for its products in order to enlarge the marketing area so that sales volume can be increased. For PT. ABC-U steps that can be taken is to enter the government sector construction market.

Alternative strategy Attractive Total Score (TAS) the second highest popularity rating result QSPM is a product development strategy (product development) with a 4.87 TAS. This strategy is a strategy used by companies in developing or improving old products or expanding the use of products to existing market segments. Steps that can be taken by PT. ABC-U in this strategy is to create new innovative work methods so that they can offer a better and faster product to consumers which will ultimately give satisfaction to consumers.

In the third place, there are alternative related diversification strategies (related development) with a Total Attractive Score (TAS) of 4.71. This strategy provides an opportunity for the company to acquire or create new business units that are still closely related to the core business. Companies whose main business is able to diversify from the core business will be better able to compete and increase market share through their new products. For this strategy PT. ABC-U can create a new business unit in the form of a construction material trading business.

IV. Conclusion

This stage is the final stage carried out in this research. Based on the stages that have been carried out previously, a conclusion will be obtained as an answer to the research objectives. Based on the results of this study, the researchers will make conclusions and provide suggestions as consideration or reference for PT. ABC-U and for Small Qualification Companies for Construction Implementation Services according to the main objectives of this research. The researcher also provides suggestions to the next researcher regarding what can be followed up.

1. At the stage Focus Group Discussion (FGD), the most dominant internal and external factors can be identified in formulating the current Small Qualification Construction Services business strategy. In the preparation of the strategy of PT. ABC-U is used as a model whose results will be used as a reference for similar small companies to develop strategies to increase competitiveness and increase company qualifications. From the results of data analysis, it was found that internal factors based on the order of dominance were the legality of the company with a score of 0.73, employee competence 0.53, product quality 0.50, innovation and leadership quality 0.47, equipment support 0.38, the selling price of materials obtained the same score as equipment support with a score of 0.38, network business 0.23 and working capital 0.20.
2. From the results of the analysis with the input stage (IFE, EFE and CPM), then the matching stage (SWOT, SPACE and GS) and the decision stage (QSPM) selected four alternative strategies, namely: market development (market development) TAS 5.34 with alternative strategies to enter the government sector market, product development (product development) TAS 4.87 with alternative strategies for creating new innovative work methods, related diversification (related development) TAS 4.71 with alternative strategies for opening a construction material trading business, and diversification unrelated (unrelated development) TAS 3.93.
3. Of the four alternative strategies that have been selected authors recommend three alternative strategies with TAS the highest in the order, namely: development of the market (market development), product development (product development), related diversification (related development) can be implemented at this time simultaneously. Meanwhile, an alternative strategy for unrelated diversification (unrelated development) should not be implemented until the three priority alternatives are evaluated successfully.
4. From the research results obtained the results of developing strategies that can be recommended for PT. ABC-U is also a reference for similar companies with small qualifications in order to be able to compete and improve qualifications above. To make it easier to understand the strategy from the research results, the BMC is existing presented as in Figure 4.2 and the New BMC in Figure 10.

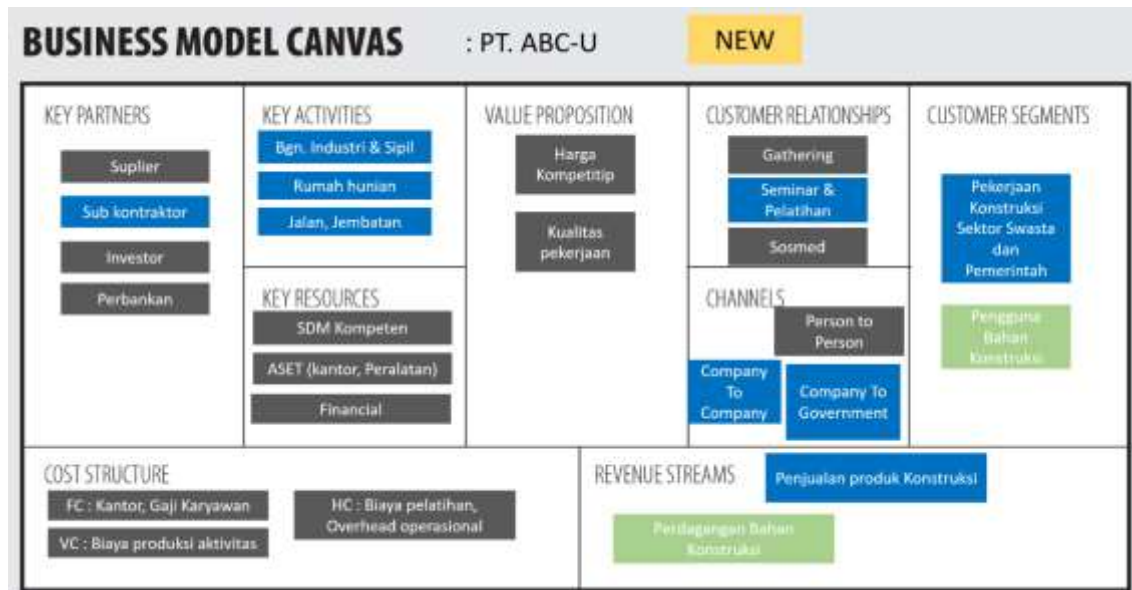


Figure 10. New BMC PT. ABC-U

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