

ABSTRACT

The purpose of this research is to test the influences of ability of environmental adaptation and business quality strategy increasing competitive advantage on company performance. Using these variables, the usage of these variables are able to solve the arising problem within construction industry at Central Java. Statement of this problem is how increase company performance through ability of environmental adaptation and business quality strategy, increasing competitive advantage?.

The population size of this research is 253 manager. The samples size of this research is 109 manager. Using the Structural Equation Modeling (SEM). The results show that ability of environmental adaptation and business quality strategy increasing competitive advantage on company performance.

The effect of ability of environmental adaptation on competitive advantage are significant; the effect of ability of environmental adaptation on company performance are significant; The effect of business quality strategy on competitive advantage are significant; the effect of business quality strategy on company performance are significant; the effect of competitive advantage on company performance are significant.

Keywords: ability of environmental adaptation, business quality strategy, competitive advantage and company performance.