

ABSTRACT

The development of this new concept is performed through Ground Theoretical Model. It is further improved by proposed hypotheses in empirical model to fill the research gap influence environmental adaptability to corporate performance. Variables used in this study aim to arrange empirical model of Isolative Governance Advantage, Internal Environmental Adaptability, Socialite Competence, Business Network Accessibility, Competitive Advantage, and Organizational Performance.

Model testing uses data from multi item scale that comes from constructs. The constructs are got from each indicator theoretical development. Data used to test structural equation model comes from respondent's answer in distributed questionnaire. Respondents in this study are 180 managers Rural Bank in West java and Banten Province in Indonesia. Based on the result from fit model, the author concludes that proposed model in this study is fit, since it fills testing index based on required rule of the thumb. Of the eight proposed hypotheses in this study, the author gets insignificant relationship (H3), four significant relationships at 5% significant rate (H2, H4, H5, H7), two significant relationships at 10% significant rate (H1 and H8), and one significant relationship at 1% significant rate (H6).

Based on data analyses, it can be concluded that these hypotheses positively confirm the new concept, Isolative Governance Advantage, fill the research gap and answer research problems.