ABSTRACT

This study aims to analyze the effect of institutional status (X_1), financial capacity (X_2), and uncertainty in office rental prices (X_3) on the management decision of the Financial Services Authority (OJK) to construct its own office building (Y). This research adopts a quantitative approach using a survey method and applies multiple linear regression analysis.

Partially, all independent variables have a positive and significant effect on the dependent variable. The most dominant variable is financial capacity (X2), followed by rental price uncertainty and institutional status. Simultaneously, all independent variables significantly influence the decision to construct an office building.

These findings indicate that the decision to construct an office building is influenced by internal resource strength, institutional legitimacy, and external environmental uncertainty. This study reinforces the applicability of institutional theory in the public sector context.

Keywords: ***institutional status, financial capacity, rental uncertainty, investment decision, OJK***