

ABSTRACT

The current era of globalization, companies need preparation for competition with other companies. This study aims to analyze the competitive advantage in order to improve the performance of construction companies in Demak Regency through the aspects of environmental adaptability and quality of business strategies.

Sources of data used are primary data obtained from questionnaire answers that have been filled in by 100 members of Gapensi Demak who meet the analysis criteria and secondary data are obtained from a collection of literature in the form of journals, books and project auction data from the lpse website and data on the number of members from Gapensi. . This study uses quantitative methods using Structural Equation Modeling (SEM) analysis .

The results of SEM analysis using AMOS software 24 found that the environmental adaptability and quality of business strategy has a positive effect on competitive advantage and positive affect are directly and indirectly to the performance of the company. The greatest direct influence on company performance comes from the ability to adapt to the environment. An indicator of environmental adaptability that plays a big role is the amount of project auction information.

Keywords: environmental adaptability, quality of business strategy, competitive advantage