

**“EFFORT TO CREATE COMPANY PERFORMANCE BY INCREASING PERFORMANCE FOR EXTERNAL ENVIRONMENT AND COMPANY RESOURCES WITH COMPETITIVE STRATEGIES AS VARIABLE INTERVENING IN AN EFFORT AT PT. PRIMADAYA ALAM SAKTI BANDUNG AS AUTHOESTRIONEZED CCTV AND MILESTONE XPROTECT SOFTWARE”**

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### Abstract

*This Research Is About How Much Efforts Pt.Primadaya Alam Sakti Bandung As Authorized Partner of Bosch Cctv And Milestone Xprotect Software Makes In Improving Company Performance By Increasing Performance For External Environment And Company Resources With Competitive Strategies. Pt.Primadaya Alam Sakti Bandung As Authorized Partner of Bosch Cctv And Milestone XProtect Software is engaged in the business of installing Security Solutions where the technology used by Bosch Security Systems is to prioritize a total security solution that can combine elements of safety and security at the same time. used descriptive and verification, with hypothesis testing The proposed conceptual model and the research paradigm can be described as a framework for the flow of relationships between variables in the form of a structural equation modeling. Environment And Company Resources With Competitive Strategies As Variable Intervening In An Effort To Increase Company Performance*

**Keywords:** External Environment Strengths, Company Resources, Competitive Strategy, Company performance

### Introduction

Closed Circuit Television (CCTV) is a surveillance camera that can record outdoor or indoor activities. CCTV can produce video and sound with good quality. Its use is now more and more, especially balanced with the property business which continues to grow. This surveillance camera is used as a mandatory security device. The results of this CCTV monitoring can be checked remotely online. The increasing demand for CCTV installation makes it a business opportunity. Sold at various prices, starting from Rp. 2.5 million for a package of 2 2 MP cameras up to a price of Rp. 12.5 million for a package of 16 IPCAM cameras. The devices in CCTV include cameras, monitors, Digital Video Recording (DVR) and cables.

The business world still has weaknesses in designing Competitive Strategies when compared to other countries. According to Barney (2010), Competitive Strategy can be formed through differentiation strategies and cost leadership strategies. The phenomenon that exists in PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. in Indonesia indicate that it is still difficult to create product innovations that are difficult for competitors to imitate, the company's weakness in anticipating changes in the external environment, and the absence of product prices that are more competitive when compared to competing products.

Weak business performance, and competitive strategy of PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. in Indonesia, allegedly caused by several factors, including the weak ownership of company resources. The existing phenomenon shows that PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. currently still limited in ownership of working capital, the location of the domestic market which is geographically still difficult to reach, In addition, the intangible assets owned are still weak such as the number and quality of human resources as the foundation of PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. which is inadequate. Whereas conceptually in the opinion of Pearce and Robinson (2015:166-167) each company is different in its

fundamental aspects because each has a unique set of resources consisting of tangible assets, intangible assets, and organizational capabilities to utilize these assets.

The low business performance of PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. in Indonesia, it is also suspected that the management has not been fully capable of adapting and anticipating external environmental forces, such as in anticipating opportunities and threats of external environmental forces such as global economic conditions, government policies, labor demands, competitive conditions; and the management's still weak ability to develop the strengths and weaknesses of the company's internal environment, which include ownership of adequate inputs, ownership of working capital, improving the quality of business processes and ownership of adequate resources.

## Literature Review and Hypothesis

- **External Environmental Forces**

The forces of the external environment, Hitt, Ireland, and Hoskisson (2015) suggest that the general environment is formed on the dimensions of the wider social environment that affect the industry and companies in the industry, namely demographic, economic, political/legal, sociocultural, technological, global, , and physical. External forces can be divided into five broad categories (David, 2013), namely: (1) economic forces, (2) social, cultural, demographic, and environmental forces, (3) political, governmental, and legal forces, (4) technological strength, (5) competitive strength.

- **Company Resources**

Resources are organizational assets and become the basic building block for the organization consisting of tangible assets (factory, equipment, finance, and location), human assets (number of employees, employee skills, and employee motivation), and intangible assets (such as technology (patents). and copyright), culture, and reputation). Capabilities refer to the company's ability to utilize resources, namely business processes and routines that manage interactions among resources to convert inputs into outputs. Tangible resources are the easiest to identify, touch and quantify, which include various types of physical resources such as manufacturing facilities, mineral resources, financial resources, technological resources, organizational resources such as control systems and corporate communications. Meanwhile, intangible resources include human assets and intellectual capital, such as company brand, image, and reputation assets.

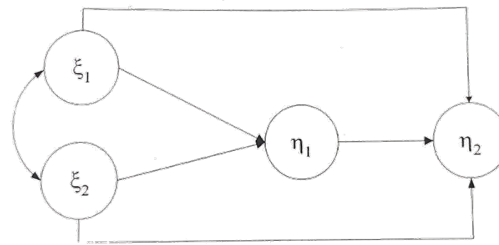
- **Competitive Strategy**

Competitive advantage, including how to gain and maintain it, is a key concept in strategic management. Competitive advantage will arise by having something that other competitors do not have. Competitive advantage is a competitive strategy designed to be exploited by an organization. Because positional advantage is easily eroded by the actions of competitors, we need to understand the competitive environment as an arena for seeking competitive advantage. competitive advantage provides an overview for companies in selecting and implementing general strategies to improve and maintain company competitiveness, namely strategies based on costs and strategies based on differentiation. The competitive advantage of nations model proposed by Porter (2004) has four determining factors (determinants) that can be used as a reference in formulating competitive advantage strategies.

- **Company Performance**

“Performance is the end result of activity. Select measures to assess performance based on the organizational unit to be appraised and the objectives to be achieved. The objectives that were established earlier in the strategy formulation part of the strategic management process (dealing with profitability, market share, and cost reduction, among others) should certainly have been used to measure corporate performance once the strategies have been implemented”. Wheelen et al. (2015) Based on this opinion, performance is the final result of activities where the measurement is adjusted to the organizational unit and the objectives to be achieved which have been formulated in the formulation of strategies as part of the strategic management process, which are related to profitability, market share or cost reduction.

## Framework and Hypothesis



**Figure 2. Relationship Flow Framework between Latent Variables**

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$\xi_1$  = External Environmental Forces. exogenous variable

$\xi_2$  = Company Resources. exogenous variable

$\eta_1$  = Competitive Strategy. endogenous variable

$\eta_2$  = Business Performance. endogenous variables.

- **Hypothesis**

1. The strength of the external environment affect the competitive strategy either simultaneously or partially.
2. Company resources affect the competitive strategy either simultaneously or partially.
3. Strengths The external environment and company resources have an effect on strategic partnerships either simultaneously or partially.
4. The strength of the external environment and company resources have an effect on business performance either simultaneously or partially.
5. Competitive strategy has a relationship with business performance

### **Research Methodology**

The research design that will be used is descriptive and verification. The object of the research is PT. Primadaya Alam Sakti System Integrator and Dealer Product CCTV BOSCH, the research model above essentially shows that the External Environmental Strength (X1), Company Resources (X2) variables are exogenous variables that directly affect Competitive Strategy (Y) and Business Performance (Z) as a consequence are referred to as endogenous variables. Berdasarkan hipotesis The proposed conceptual model and the research paradigm can be described as a framework for the flow of relationships between variables in the form of a structural equation modeling.

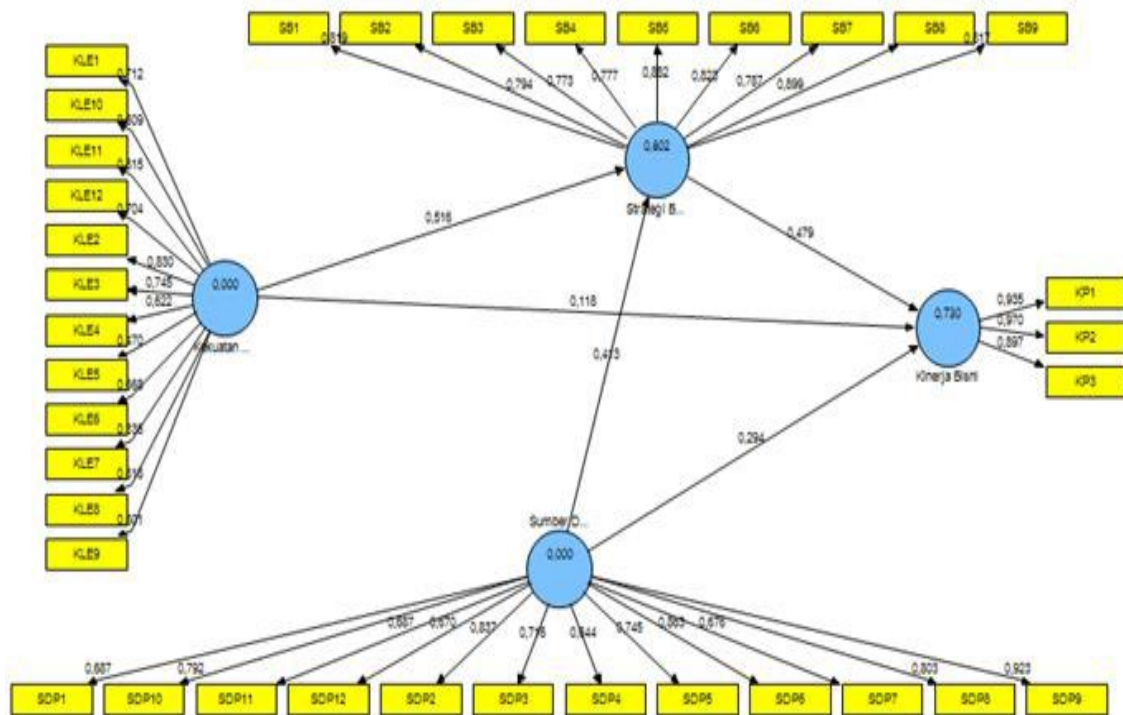


Figure 1. Coefficient

Tabel 1. Coefficients

	Original Sampel (O)	T Statistics ( O/STERR )
Kekuatan Lingkungan Eksternal -> Kinerja Perusahaan	0,118356	1,128155
Kekuatan Lingkungan Eksternal -> Strategi Bersaing	0,516124	6,579701
Strategi Bersaing -> Kinerja Perusahaan	0,479309	4,744038
Sumber Daya Perusahaan -> Kinerja Perusahaan	0,294231	2,939829
Sumber Daya Perusahaan -> Strategi Bersaing	0,413049	5,224448

- Hypothesis 1**  
 The strength of the external environment affect the competitive strategy In terms of environmental analysis, small companies are financially constrained to obtain information about competitors. In the environmental analysis it was also found that the factors listed are personal (quality of life), human resources (labor costs, labor qualifications and qualification capacity of workers in the region), market (location of customers, suppliers, proximity to other technology companies), and the establishment of cooperation networks), legal benefits (tax/fiscal), infrastructure (restaurants, public transportation, banks and others), and/institutional (good union relations, easy access to political institutions and non-governmental organizations).
- Hypothesis 2**  
 Company resources affect the competitive strategy . Ahmad (2012) investigated the influence of external environmental factors on the health service strategy carried out by hospital managers. The studied environment includes economic, political, social, cultural, technological factors. The results of the study confirm that there is a significant difference in the influence of external environmental factors on health care strategies. This research has similarities with this dissertation, namely examining the strength of the external environment in relation to competitive strategy. While the difference is in terms of the industry being researched, the research methods used, and other research variables.
- Hypothesis 3**

Yan (2011:6) integrates an external environmental management perspective and a strategic choice approach. This research has confirmed the importance of understanding the external environment to achieve competitive advantage which has implications for improving company performance. These findings may be useful for management practitioners involved in business development in China. Shigang Yan's research (2011) has similarities with this dissertation, namely researching the strength of the external environment; in relation to competitive strategy and performance. While the difference is in the industrial field studied and other research variables.

- **Hypothesis 4**

Pertusa-Ortega, Molina-Azorín, Claver-Cortés (2010) extend the relevant empirical literature of the strategy-structure-performance paradigm by comparing the resource-based view (RBV) with contingency theory. This paper examines how organizational structure affects firm performance, considering its relationship to competitive strategy. The results support the RBV approach and the contingency approach, but the RBV strongly supports the hypothesis.

- **Hypothesis 5**

The Strength of the External Environment and Company Resources. The research of Wan and Bullard (2009) has similarities with this dissertation, namely examining competitive strategy and its relation to performance. While the difference is in the industry being researched and other research variables.

## Conclusion and Suggestion

- **Conclusion**

1. The Strength of the External Environment and Company Resources, has an effect on PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. either simultaneously or partially. significant with a value of 0.516.
2. The Strength of the External Environment and Company Resources, has an effect on Business Performance at PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. either simultaneously or partially. significant with a value of 0.413
3. Competitive Strategy and Strategic Partnership have an effect on Business Performance at PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software.. significant with a value of 0.118
4. The Strength of the External Environment and Company Resources has an effect on Business Performance at PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. through Competitive Strategy. significant with a value of 0.294.
5. The Strength of the External Environment and Company Resources has an effect on Business Performance at PT.Primadaya Alam Sakti Bandung As Authorized Partner BOSCH CCTV And Milestone XProtect Software. through Strategic Partnerships. significant with a value of 0.479.

- **Suggestion**

1. External Environmental Forces PT.Primadaya Alam Sakti Bandung As an Authorized Partner of BOSCH CCTV and Milestone XProtect Software, SWOT analysis should be carried out periodically for at least 5 years, so that new strategies can be immediately implemented for problem solving and SWOT analysis in a business is always needed. SWOT is an important form of evaluation. Because a business that is run without a continuous evaluation process, will be stuck in an endless obstacle. That is why a comprehensive analysis is necessary.
2. HR Development Strategy that should be carried out by PT. Primadaya Alam Sakti Bandung As an Authorized Partner of BOSCH CCTV and Milestone XProtect Software Giving Awards to Employees. Conducting Training Programs. Provide Opportunities to Express Ideas. Increase Productivity.Reduce Damage to Products and product functions. Work Can Run Efficiently. Improve Leadership Attitude.
3. Competitive advantage, are aspects that make the goods or services of a company superior. Although this term is usually used for the business world, competitive advantage strategies can also be applied by certain organizations, communities, or individuals in a competitive environment. The first competitive advantage that companies can take advantage of is cost leadership. the company is able to utilize skilled labor, cheap raw materials, and efficient operations to create maximum value for customers.
4. Company Performance that must be done by PT.Primadaya Alam Sakti Bandung As an Authorized Partner of BOSCH CCTV and Milestone XProtect Software. The first competitive advantage that companies can take advantage of is cost leadership. This term is used when a company is able to utilize skilled labor, cheap raw materials, and efficient operations to create

maximum value for customers. Walmart, a major franchise company in the United States uses this strategy by providing a large selection of low-priced quality products in every store

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