THE STRATEGY ADOPTED BY THE INDONESIAN GOVERNMENT
CONTRACTORS TO MAINTAIN PROFIT

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Faculty of Built Environment
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ABSTRACT

The main aim of a business organization is profit as much as it must be efficiently and effectively range through the management function of planning organizing. In Indonesia, state-owned enterprise contractors have been established, which are PT. A, PT. B, PT. C, PT. D, PT. E, PT. F, PT. G, PT. H, and PT. I. They operate autonomously like any other business. The company is state-owned limited liability company (Persero) of capital / shares at least 51% owned by the government, whose purpose is to pursue profits. The purpose of establishing national state is to provide goods and or services of high quality and strong competitive advantage and pursue to enhance shareholder value. As companies answerable to the government it is very important that they are properly and effectively managed. This is to ensure that the companies continuously generate income and maintain favourable profit. But, how do these Indonesian Government Contractors can manage their business and maintain a favourable profit margin. They may adopt the strategic management model to maintain their business and income. Strategy has been defined general plan of action as cunning way for achieving one’s goals and objectives. A contractor company may adopt a vertical segmentation strategy to maintain its business. Others may adopt a horizontal (generalist) strategy to increase their business and profit. The strategic management process includes environmental scanning (both external and internal), strategy formulation, strategy implementation, and evaluation & control. But the question is whether these companies have actually adopted the strategic management approach. The objectives of this research are to determine whether the company’s mission, objectives, strategies, policies, programs, procedures and performance are well documented, and whether they are easily understand by the company’s staff. This study used a model of strategic management as the tools to analyze the problems. The results of the analysis are the PT. I, PT. F, PT. C and PT. D are the best in documenting the company’s mission, objectives, strategies, policies, programs, procedures and performance. The elements of strategic management are easily understood by the company’s staff in level moderate. Recommendation for further studies is to find out whether the Indonesia Government Contractors have been following the strategic management system according to the theory of strategy formulation, strategy implementation, and evaluation and control.
ABSTRAK