

ABSTRACT

The construction industry plays a significant role in supporting national economic growth, contributing IDR 3,112.9 trillion to Indonesia's GDP in the first quarter of 2024. In DKI Jakarta, although the number of construction companies declined from 14,500 in 2021 to 13,800 in 2024, construction activity remains high and competition is increasingly intense. PT XYZ faces internal and external challenges that require a well-formulated strategy to improve performance.

This study employs a descriptive qualitative approach through in-depth interviews and document analysis, following Fred R. David's framework: Input (IFE, EFE, CPM), Matching (IE, SWOT), and Decision (QSPM). The analysis identifies key strengths including strong client relationships, adaptive leadership, supplier partnerships, and project flexibility. Weaknesses include market dependence on Jakarta–Karawang, limited capital, and underdeveloped integrated information systems. Opportunities involve construction market growth, regulatory support, project digitalization, and sustainable building trends. Threats comprise material price fluctuations, global economic uncertainty, stringent regulations, and the entry of aggressive new competitors. These classifications are based on each factor's contribution to or risk against the company's competitiveness.

The SWOT analysis generated seven alternative strategies, which were prioritized using QSPM into six main strategies: collaboration with state-owned enterprises, technology-based service enhancement, geographic diversification, strengthening client loyalty, supplier diversification, and cost efficiency through digitalized project management. These strategies align with the company's conditions, reinforce the validity of the analysis, and provide practical contributions to strategic management development in Indonesia's EPC construction sector.

Keywords: *Strategic Formulation, Performance Improvement, Construction Industry, SWOT, QSPM*