The Influence of Industrial Regulations, Strategic Alliances, and Market Competition on Perceived of Firm Performance (Case Study of a Private Construction Sector Companies in Balikpapan)

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ABSTRACT: Providing infrastructure is one of the fundamental sectors that must be realized in the context of economic development so that general prosperity can be achieved. In its implementation, the Government has determined projects that fall into the National Strategic Project (PSN) category, the aim of which is to meet basic needs and improve community welfare. Kalimantan Island in particular has 13 projects with a total investment value of Rp. 240.3 trillion. Funding for basic infrastructure and connectivity projects comes from the government, government-private partnerships, state-owned companies and the private sector. One of the main regulations is the public-private partnership (PPP) policy, which allows BUMN and private companies to work together in developing strategic projects. Poor governance in state-owned enterprises hinders effective collaboration with private companies in the Balikpapan construction sector, primarily through capability, resource and politicization gaps that affect industry regulations, market competition and strategic alliances. This research uses a survey method to collect data using a questionnaire. Sampling was carried out using a non-probability method with a purposive sampling approach. The sample in this study consisted of 31 respondents who were company representatives or directors or top managers of private companies in Balikpapan City which formed alliances with other private companies when participating in National Strategic Projects. This research uses SEM-PLS with the SmartPLS 3.0 application tool. Based on the results of this study and the discussion that has been carried out, the following conclusions can be drawn: Industry regulation affects financial performance, industry regulation affects customer performance, industry regulation affects business process performance, industry regulation affects learning and growth performance, strategic alliance affects financial performance, strategic alliance affects customer performance, strategic alliance affects business process performance, strategic alliance affects learning and growth performance, market competition affects financial performance, market competition affects customer performance, market competition affects business process performance, market competition affects learning and growth performance, and overall that industry regulation, strategic alliance, and market competition have significant influence on perceived performance of private companies in Balikpapan construction sector.

KEYWORDS: Company performance, industrial regulation, market competition, national strategic projects, strategic alliances.

INTRODUCTION

The provision of infrastructure is one of the fundamental sectors that must be realized in the context of economic development so that public welfare can be achieved. The infrastructure sector is expected to be able to support and drive economic activities [1]. The availability of Indonesia's infrastructure stock to GDP in 2015 was at 35%, still below the global standard of 75%. Infrastructure stock to GDP is targeted to increase to 49.4% by 2024. Indonesia's economic expansion from 2020 to 2024 is driven primarily by increased investment, which is expected to grow by 6.6% to 7.0% per year as stated in the National Medium-Term Development Plan (RPJMN) 2020-2024. The RPJMN contains a summary of policy directions for basic infrastructure development and connectivity.

In its implementation, the Government has established projects categorized as National Strategic Projects (PSN), whose purpose is to fulfill basic needs and improve the welfare of the community. Based on Permenko Number 9 of 2022, there are 200 projects and 12 programs as PSN with an estimated total investment value of Rp. 5,481.4 Trillion. Kalimantan Island in particular has 13 projects with a total investment value of Rp. 240.3 Trillion. Funding for these basic infrastructure and connectivity projects comes from the government, public-private partnerships, state-owned enterprises, and the private sector.

Figure 1. National Strategic Project

The Balikpapan Refinery Development Master Plan RDMP project is one of the National Strategic Projects (PSN) implemented by BUMN PT Kilang Pertamina Balikpapan, a subsidiary of PT Kilang Pertamina Internasional (PT KPI) which is a processing and petrochemical subholding formed by PT Pertamina (Persero). In an effort to support National Energy Independence, especially in Eastern Indonesia, including in the National Capital City (IKN), the Government through the Committee for the Acceleration of Priority Infrastructure Provision (KPPIP) continues to encourage the acceleration of project activities. With overall progress as of March 2023 which has reached 62.13%, this PSN is targeted to be completed in stages in 2024-2025 to immediately meet domestic energy needs.

Competition in the business world is getting tougher, especially in the construction sector [2]. Construction companies must be able to adapt to changes in the business environment and face existing challenges. Private companies play an important role in the construction industry both in terms of capital investment and providing local employment. In addition, by funding and building infrastructure projects, private companies help improve connectivity and quality of life nationwide. Good infrastructure is an essential element for economic growth and community welfare. A good collaboration between private companies and the government can lead to the best solution for infrastructure needs. The government through its policies can support and incentivize private companies to encourage their investment and participation in infrastructure development projects. However, this form of collaboration between the government, SOEs and private companies is a challenge for private companies.

A. Research Objectives

1. How is the effect of industry regulation in construction sector on financial performance of private companies in construction sector in Balikpapan?
2. How does industrial regulation in construction sector affect customer performance of private companies in construction sector in Balikpapan?
3. How does industrial regulation in construction sector affect business process performance of private companies in construction sector in Balikpapan?
4. How does industrial regulation in construction sector affect the learning and growth performance of private companies in construction sector in Balikpapan?
5. How does strategic alliance in construction sector affect financial performance of private companies in construction sector in Balikpapan?
6. How does strategic alliance in construction sector affect the performance of private customers in construction sector in Balikpapan?
7. How does strategic alliance in construction sector affect business process performance of private construction sector companies in Balikpapan?
8. How does strategic alliance in construction sector affect the learning and growth performance of private construction sector companies in Balikpapan?

9. How does market competition in construction sector affect financial performance of private construction sector companies in Balikpapan?
10. How does market competition in construction sector affect customer performance of private construction sector companies in Balikpapan?
11. How does market competition in construction sector affect business process performance of private construction sector companies in Balikpapan?
12. How does market competition in construction sector affect learning and growth performance of private construction sector companies in Balikpapan?
13. How do industry regulation, strategic alliance, and market competition affect the perceived performance of private construction sector companies in Balikpapan?

LITERATURE REVIEW

A. Institutional Theory

Institutional theory, also known as organizational imprinting, is the process by which organizations continue to follow certain procedures that were in place when they were first established, not because of a rational decision or design, but because the procedures are perceived as a way of doing things [3]. Regardless of its actual use, institutional theory assumes that firms adopt management structures and techniques accepted by other organizations in their respective sectors. Organizations in a field can acquire legitimate structures or practices through imitation, coercion, tradition (which the organization inculcates at the time of formation) and normative influence[4]. The main foundation of institutional theory argues that institutional theory is based on the premise that organizations respond to pressures from their institutional environment and adopt socially accepted structures and/or procedures as appropriate organizational choices[5].

B. Operational Efficiency

Common business practices assume that improving operational efficiency is critical to improving current and future firm performance. The concept of efficiency is understood in the strategic management and industrial organization literature as the result of firm-specific factors that determine the stability and current performance of the firm, such as market share, cost control, management expertise, and innovation [6]. Operating efficiency refers to a firm's capacity to maximize the use of resources to produce goods or provide services more effectively. The assessment of operational efficiency methods has changed over time and now includes a variety of indicators such as a single efficiency stage, such as production efficiency or sales efficiency [7].

C. Perceived Company Performance

Perceived company performance as a subjective view of management or company owners on the company's ability to achieve financial and non-financial goals, such as profitability, customer satisfaction, operational efficiency, and innovation capacity. This perception reflects the way individuals assess performance based on observations of the results achieved by the company [8]. Complementing the previous explanation, the perception of company performance not only refers to financial results such as profit and sales growth, but also involves non-financial measures, such as product innovation and operational efficiency. The emphasis is that these perceptions are subjective, depending on the perspectives and expectations of management or owners [9].

D. Industry Regulation

Regulations are rules used to control human behavior with various restrictions. Regulation can be applied in various forms, such as government law, industrial law, and so on. Government regulations are all regulations issued by the government to regulate an organization or company [10]. Government regulations on the performance of construction companies cover various aspects, ranging from regulations governing the implementation of construction projects, building quality inspection, to risk control and work safety. One example of this regulation is Government Regulation Number 22 of 2020 concerning Implementation Regulations of Law Number 2 of 2017 concerning Construction Services, which regulates building quality inspection, technical supervision, and work safety supervision.

E. Strategic Alliance

A Strategic Alliance is a collaborative relationship between two or more companies formed with the aim of achieving mutual strategic benefits and objectives. It involves sharing resources, capabilities, and knowledge to enhance each partner's competitive

advantage and achieve common goals. Strategic alliances aim to increase the chances of cohesive implementation of strategic objectives through authentic and long-term cooperation. It also aims to expand the relationship and intensity of contact between the parties involved, and create a positive atmosphere in bilateral relations. Strategic alliances have a significant role to play in the long-term operational performance of companies. However, it should be noted that the impact varies depending on certain factors such as industry, firm characteristics, and the type of partnership involved [11].

F. Market Competition

The competitiveness of construction companies is carried out in accordance with the objectives of the construction business in the form of profit to be able to ensure the creation of a round of funds in order to support the activities of the institution, growth and development that follows the dynamics of the construction business world itself so as not to be displaced, and the development of a positive image both in the construction world and in society in general as one of the long-term goals of every construction institution. Factors forming competitiveness can be measured by indicators of company competitiveness. The competitive advantage factors basically include quality excellence, low cost, ability to deliver orders faster, differentiation, and flexibility. To win the competition, each company must be able to improve the ability factor of construction service resources which includes work experience capabilities, financial capabilities, and technical capabilities, namely company equipment and personnel that support the quality of work on the implementation of construction projects [12].

METHOD

This research uses a deduction approach to the development of the theory used. The researcher departed from the existing and generally applicable theories, namely institutional theory and operational efficiency to explain the problem faced in the research which is to see the influence of industry regulation, strategic alliance, and market competition on the perceived performance of private construction sector companies in Balikpapan especially when contributing or having experience in National Strategic Projects. Quantitative research methodology is used in this study. This quantitative method is used because it is suitable for testing specific hypotheses. Moreover, through statistically analyzed results will be general and can be applied to a wider population in private construction sector in Balikpapan. The unit of analysis of this research is organization. The organization referred to in this study is a private construction sector company in Balikpapan represented by each of its managerial level employees. This study uses variant-based PLS-SEM (Partial Least Square-Structural Equation Modeling) or also known as VB-SEM to investigate the proposed model.

RESULT AND DISCUSSION

A. Validity Test

Table 1. Convergent Validity Test Results

	AS	KP	KPB	KPP	KY	PKP	PS	RI	Keterangan
AS1	0.884								Valid
AS2	0.892								Valid
AS3	0.824								Valid
AS4	0.802								Valid
AS5	0.728								Valid
AS6	0.758								Valid
KP1		0.857							Valid
KP2		0.855							Valid
KP3		0.814							Valid
KPB1			0.873						Valid
KPB2			0.834						Valid
KPB3			0.826						Valid

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KPP1				0.893				Valid
KPP2				0.864				Valid
KPP3				0.868				Valid
KK1			0.854					Valid
KK2			0.847					Valid
KK3			0.875					Valid
PKP1					0.823			Valid
PKP2					0.745			Valid
PKP3					0.755			Valid
PKP4					0.825			Valid
PKP5					0.783			Valid
PKP6					0.743			Valid
PKP7					0.811			Valid
PKP8					0.902			Valid
PKP9					0.738			Valid
PKP10					0.726			Valid
PKP11					0.728			Valid
PKP12					0.833			Valid
PP1						0.752		Valid
PP2						0.728		Valid
PP3						0.883		Valid
PP4						0.740		Valid
RI1							0.796	Valid
RI2							0.738	Valid
RI3							0.716	Valid
RI4							0.870	Valid

Table 2. Average Variance Extracted (AVE) Test Result

Variabel	AVE
Aliansi Strategis (AS)	0.667
Kinerja Pelanggan (KP)	0.710
Kinerja Proses Bisnis (KPB)	0.713
Kinerja Pembelajaran dan Pertumbuhan (KPP)	0.766
Kinerja Keuangan (KK)	0.738
Persepsi Kinerja Perusahaan (PKP)	0.618
Persaingan Pasar (PS)	0.606
Regulasi Industri (RI)	0.612

Table 3. Cross Loading Test Result

	AS	KK	KP	KPB	KPP	PKP	PP	RI
AS1	**0.884**	0.420	0.417	0.387	0.606	0.499	0.339	0.070
AS2	**0.892**	0.590	0.528	0.582	0.750	0.668	0.464	0.356
AS3	**0.824**	0.337	0.432	0.357	0.585	0.467	0.307	0.127
AS4	**0.802**	0.430	0.347	0.425	0.447	0.448	0.172	0.158
AS5	**0.728**	0.185	0.129	0.152	0.281	0.204	0.027	-0.156
AS6	**0.758**	0.241	0.177	0.163	0.377	0.261	0.034	-0.235
KK1	0.504	**0.857**	0.768	0.769	0.645	0.823	0.463	0.594
KK2	0.362	**0.855**	0.683	0.773	0.443	0.745	0.390	0.580
KK3	0.376	**0.814**	0.575	0.668	0.718	0.755	0.624	0.558
KP1	0.414	0.683	**0.873**	0.789	0.689	0.825	0.536	0.627
KP2	0.309	0.801	**0.834**	0.719	0.537	0.783	0.491	0.635
KP3	0.442	0.568	**0.826**	0.618	0.719	0.743	0.823	0.422
KPB1	0.422	0.749	0.726	**0.893**	0.617	0.811	0.545	0.640
KPB2	0.563	0.818	0.765	**0.864**	0.862	0.902	0.710	0.591
KPB3	0.218	0.713	0.695	**0.868**	0.444	0.738	0.427	0.653
KPP1	0.627	0.556	0.619	0.631	**0.854**	0.726	0.664	0.462
KPP2	0.624	0.596	0.629	0.595	**0.847**	0.728	0.493	0.453
KPP3	0.477	0.714	0.751	0.713	**0.875**	0.833	0.639	0.500
PKP1	0.504	0.857	0.768	0.769	0.645	**0.823**	0.463	0.594
PKP2	0.362	0.855	0.683	0.773	0.443	**0.745**	0.390	0.580
PKP3	0.376	0.814	0.575	0.668	0.718	**0.755**	0.624	0.558
PKP4	0.414	0.683	0.873	0.789	0.689	**0.825**	0.536	0.627
PKP5	0.309	0.801	0.834	0.719	0.537	**0.783**	0.491	0.635
PKP6	0.442	0.568	0.826	0.618	0.719	**0.743**	0.823	0.422
PKP7	0.422	0.749	0.726	0.893	0.617	**0.811**	0.545	0.640
PKP8	0.563	0.818	0.765	0.864	0.862	**0.902**	0.710	0.591
PKP9	0.218	0.713	0.695	0.868	0.444	**0.738**	0.427	0.653
PKP10	0.627	0.556	0.619	0.631	0.854	**0.726**	0.664	0.462
PKP11	0.624	0.596	0.629	0.595	0.847	**0.728**	0.493	0.453
PKP12	0.477	0.714	0.751	0.713	0.875	**0.833**	0.639	0.500
PP1	0.315	0.406	0.547	0.487	0.629	0.564	**0.752**	0.446
PP2	0.261	0.471	0.560	0.618	0.509	0.589	**0.728**	0.333
PP3	0.367	0.579	0.730	0.586	0.601	0.678	**0.883**	0.354
PP4	-0.007	0.313	0.397	0.254	0.395	0.371	**0.740**	0.141
RI1	0.268	0.472	0.370	0.444	0.468	0.478	0.249	**0.796**
RI2	0.179	0.463	0.605	0.536	0.568	0.592	0.532	**0.738**
RI3	0.001	0.447	0.406	0.517	0.244	0.438	0.178	**0.716**
RI4	0.020	0.715	0.620	0.700	0.412	0.663	0.335	**0.870**

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Table 4. Fornell-Larcker Criterion Test Results

	AS	KK	KP	KPB	KPP	PKP	PP	RI
AS	**0.817**							
KK	0.495	**0.842**						
KP	0.465	0.803	**0.844**					
KPB	0.475	0.874	0.836	**0.875**				
KPP	0.673	0.721	0.774	0.752	**0.859**			
PKP	0.574	0.921	0.927	0.786	0.887	**0.942**		
PP	0.335	0.588	0.742	0.655	0.700	0.731	**0.778**	
RI	0.144	0.686	0.658	0.715	0.549	0.708	0.429	**0.782**

B. Reliability Test

Table 5. Composite Reliability and Cronbach Alpha Test Results

Variabel	Crobach's Alpha	Composite Reability
Aliansi Strategis (AS)	0.903	0.923
Kinerja Pelanggan (KP)	0.795	0.880
Kinerja Proses Bisnis (KPB)	0.799	0.882
Kinerja Pembelajaran dan Pertumbuhan (KPP)	0.848	0.907
Kinerja Keuangan (KK)	0.822	0.894
Persepsi Kinerja Perusahaan (PKP)	0.943	0.951
Persaingan Pasar (PS)	0.783	0.859
Regulasi Industri (RI)	0.789	0.862

C. Outer Model

Figure 2. Outer Model

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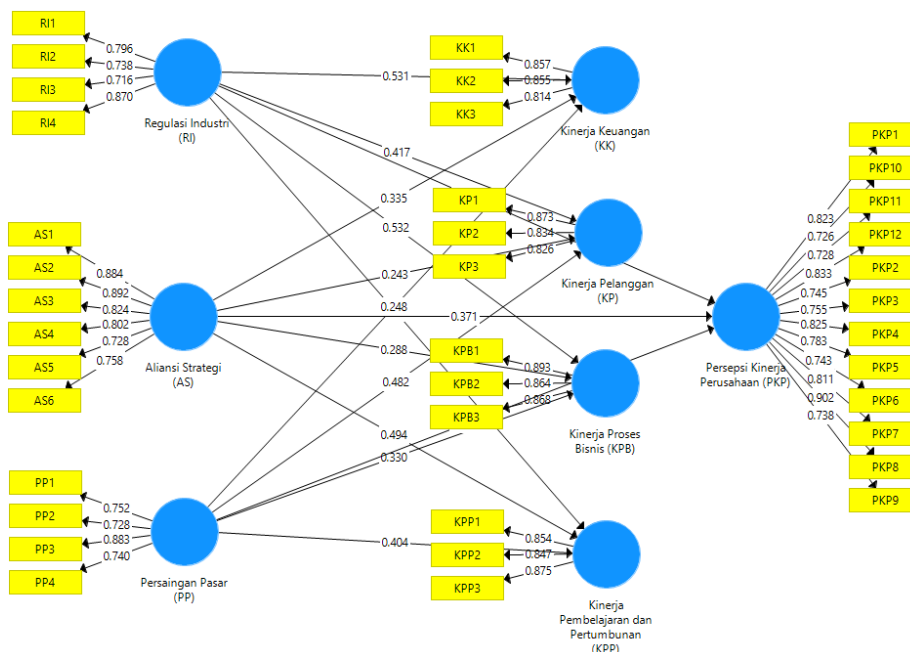DOI: 10.47191/ijcsrr/V8-i1-23, Impact Factor: 7.943

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D. Coefficient of Determination (R^2)
Table 6. Determinant Coefficient (R^2) Test Results

Variabel	R Square	R Square Adjusted
Kinerja Keuangan (KK)	0.676	0.640
Kinerja Pelanggan (KP)	0.745	0.716
Kinerja Proses Bisnis (KPB)	0.733	0.703
Kinerja Pembelajaran dan Pertumbuhan (KPP)	0.783	0.758
Persepsi Kinerja Perusahaan (PKP)	0.848	0.831

E. Predictive Relevance (Q^2)
Table 7. Predictive Relevance Test Results

Variabel	Predictive Relevance (Q Square)	Kesimpulan
Kinerja Keuangan (KK)	0.419	Memiliki Relevansi Prediktif
Kinerja Pelanggan (KP)	0.444	Memiliki Relevansi Prediktif
Kinerja Proses Bisnis (KPB)	0.494	Memiliki Relevansi Prediktif
Kinerja Pembelajaran dan Pertumbuhan (KPP)	0.537	Memiliki Relevansi Prediktif
Persepsi Kinerja Perusahaan (PKP)	0.484	Memiliki Relevansi Prediktif

F. Goodness of Fit
Table 8. Goodness of Fit Test Results

Indeks	Saturated Model
SRMR	0.092
NFI	0.611

G. Hypothesis Test
Table 9. Hypothesis Testing Results

		Sampel Asli (O)	Rata-rata Sampel (M)	Standar Deviasi (STDEV)	T Statistik ($|O/STDEV|$)	P Values
H1	RI -> KK	0.531	0.546	0.147	3.616	0.000
H2	RI -> KP	0.417	0.420	0.159	2.625	0.004
H3	RI -> KPB	0.532	0.555	0.139	3.819	0.000
H4	RI -> KPP	0.305	0.304	0.121	2.529	0.006
H5	AS -> KK	0.335	0.354	0.142	2.354	0.009
H6	AS -> KP	0.243	0.241	0.140	1.737	0.042
H7	AS -> KPB	0.288	0.293	0.106	2.722	0.003
H8	AS -> KPP	0.494	0.471	0.135	3.663	0.000
H9	PP -> KK	0.248	0.222	0.149	1.712	0.048
H10	PP -> KP	0.482	0.480	0.135	3.579	0.000
H11	PP -> KPB	0.330	0.304	0.139	2.369	0.009
H12	PP -> KPP	0.404	0.405	0.106	3.818	0.000

The results of the test, as outlined in the table above, can be summarized as follows:

H1: The Effect of Industry Regulation on Financial Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the first hypothesis is 0.531 and has a significance level (p) of 0.000. The resulting t statistic value of 3.616 is greater than the t table value of 1.69. This shows that

industry regulation has a positive influence on financial performance. This means that it can be said that the first hypothesis is supported.

H2: The Effect of Industry Regulation on Customer Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the second hypothesis is 0.417 and has a significance level (p) of 0.004. The resulting t statistic value of 2.625 is greater than the t table value of 1.69. This shows that industry regulation has a positive influence on customer performance. This means that it can be said that the second hypothesis is supported.

H3: The Effect of Industry Regulation on Business Process Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the third hypothesis is 0.532 and has a significance level (p) of 0.000. The resulting t statistic value of 3.819 is greater than the t table value of 1.69. This shows that industry regulation has a positive influence on business process performance. This means that it can be said that the third hypothesis is supported.

H4: The Effect of Industry Regulation on Learning and Growth Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the fourth hypothesis is 0.305 and has a significance level (p) of 0.006. The resulting t statistic value of 2.529 is greater than the t table value of 1.69. This shows that industry regulation has a positive influence on learning performance and growth. This means that it can be said that the fourth hypothesis is supported.

H5: The Effect of Strategic Alliance on Financial Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the fifth hypothesis is 0.335 and has a significance level (p) of 0.009. The resulting t statistic value of 2.354 is greater than the t table value of 1.69. This shows that strategic alliances have a positive influence on financial performance. This means that it can be said that the fifth hypothesis is supported.

H6: The Effect of Strategic Alliances on Customer Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the sixth hypothesis is 0.243 and has a significance level (p) of 0.042. The resulting t statistic value of 1.737 is greater than the t table value of 1.69. This shows that strategic alliances have a positive influence on customer performance. This means that it can be said that the sixth hypothesis is supported.

H7: The Effect of Strategic Alliances on Business Process Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the seventh hypothesis is 0.288 and has a significance level (p) of 0.003. The resulting t statistic value of 2.722 is greater than the t table value of 1.69. This shows that strategic alliances have a positive influence on business process performance. This means that it can be said that the seventh hypothesis is supported.

H8: The Effect of Strategic Alliance on Learning and Growth Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the eighth hypothesis is 0.494 and has a significance level (p) of 0.000. The resulting t statistic value of 3.663 is greater than the t table value of 1.69. This shows that the strategic alliance has a positive influence on learning and growth performance. This means that it can be said that the eighth hypothesis is supported.

H9: The Effect of Market Competition on Financial Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the ninth hypothesis is 0.248 and has a significance level (p) of 0.048. The resulting t statistic value of 1.712 is greater than the t table value of 1.69. This shows that market competition has a positive influence on financial performance. This means that it can be said that the ninth hypothesis is supported.

H10: The Effect of Market Competition on Customer Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the tenth hypothesis is 0.482 and has a significance level (p) of 0.000. The resulting t statistic value of 3.579 is greater than the t table value of 1.69. This shows that market competition has a positive influence on customer performance. This means that it can be said that the tenth hypothesis is supported.

H11: The Effect of Market Competition on Business Process Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the eleventh hypothesis is 0.330 and has a significance level (p) of 0.009. The resulting t statistic value of 2.369 is greater than the t table value of 1.69. This shows that market competition has a positive influence on business process performance. This means that it can be said that the eleventh hypothesis is supported.

H12: The Effect of Market Competition on Learning and Growth Performance

Based on the results of hypothesis testing in Table 4.15, it shows that the path coefficient in the twelfth hypothesis is 0.404 and has a significance level (p) of 0.000. The resulting t statistic value of 3.818 is greater than the t table value of 1.69. This shows that market competition has a positive influence on learning and growth performance. This means that it can be said that the twelfth hypothesis is supported.

H13: The Effect of Industry Regulation, Strategic Alliances, and Market Competition on Perceived Company Performance

Simultaneous hypothesis testing in SmartPLS can be seen in the results of the calculated F value using the formula:

$$\text{Fhit} = \frac{R^2(n-k-1)}{(1-R^2)k}$$

Where:

k = Number of independent variables

R^2 = Coefficient of determination

N = Number of Samples

Based on R square, it is obtained at 0.831 (83.1%). The number of independent variables (k) is 3 variables and the number of research samples (n) is 31 respondents with a significance level α of 5%, then the Fcount and Ftable values can be obtained as follows:

$$\text{Fhit} = \frac{0,83\,(31-3-1)}{(1-0,83)3} = \frac{10,56}{0,51} = 20.70$$

Based on the above calculations, the results of simultaneous hypothesis testing in this study can be explained that the resulting F value is 20.7 which means it is greater than the F table value of 2.91. This shows that industry regulation, strategic alliances, and market competition have a positive influence on perceived company performance. This means that it can be said that the thirteenth hypothesis is supported.

CONCLUSION

Based on the research result regarding "The effect of industry regulation, strategic alliance, and market competition on perceived firm performance (case study on private companies in construction sector in Balikpapan", the following conclusions can be drawn:

1. Based on the result of hypothesis testing, it can be concluded that there is a significant positive influence between industrial regulation on financial performance of private companies in construction sector in Balikpapan.
2. Based on the result of hypothesis testing, it can be concluded that there is a significant positive influence between industry regulation on customer performance of private companies in construction sector in Balikpapan.
3. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between industrial regulation on business process performance of private companies in construction sector in Balikpapan.
4. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between industrial regulation on learning and growth performance of private companies in construction sector in Balikpapan.
5. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between strategic alliance on financial performance of private companies in construction sector in Balikpapan.
6. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between strategic alliance on customer performance of private construction sector companies in Balikpapan.
7. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between strategic alliance on business process performance of private construction sector companies in Balikpapan.
8. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between strategic alliance on learning and growth performance of private companies in construction sector in Balikpapan.
9. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between market competition on financial performance of private companies in construction sector in Balikpapan.

10. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between market competition on customer performance of private construction sector companies in Balikpapan.
11. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between market competition on business process performance of private construction sector companies in Balikpapan.
12. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between market competition on learning and growth performance of private construction sector companies in Balikpapan.
13. Based on the hypothesis testing results, it can be concluded that there is a significant positive influence between industry regulation, strategic alliance, and market competition on perceived performance of private construction sector companies in Balikpapan.

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