SUMMARY

MUFRAD AZMADAHADID. Strategic Formulation for Improving Property Company Performance at PT XYZ After Acquisition. Supervised by LUKMAN MOHAMMAD BAGA and SETIADI DJOHAR.

Daerah Istimewa Yogyakarta is one of the provinces in Indonesia which has an increasing population every year. The increasing number of residents every year makes the need for residence will increase as well. However, the limitations of land for residence has always been a problem in big cities in Indonesia including Yogyakarta. One of solution to solve this problem is to build vertical housing. PT XYZ is one of the companies involved in vertical residential development, namely apartments and condotels.

In the midst of developing vertical residential business, especially in the development of apartments and condotels in Yogyakarta, PT XYZ is currently having difficulty continuing the construction of apartments and condotels. Until August 2017, the progress of development has only been running 2.61%. These conditions make the decline of old consumer confidence which has an impact on decreasing company revenues. The decrease in revenues was due to the arrears in installment payments by old customers. In addition to the decline in revenues, the company faced with many cancellations by old customers. These various problems make the company’s performance decline. One of the strategies that the company has done is to sell 38% of its shares to PT Agung Development Propertindo and PT Tata Bumi Raya so that the development of apartments and condotels can still run according to plan. Together with new management, the company is required to improve the company’s performance.

The purpose of this study was to evaluate any factors that make company performance decline before acquisition until now, identifying PT XYZ internal and external conditions after the acquisition process, and formulating a post-acquisition strategy to improve PT XYZ performance.

The results of this study indicate that decision making by old management before acquisition is the factor that caused the company’s performance to decline. Some decisions that make the company’s performance decline are decision to choose a contractor, the pricing strategy, and decision to include a 100% refund guarantee in PPJB if the customer cancels the unit.

The analysis of the company’s external environment shows that the company has been able to respond well to the development of information technology and social media, the location of apartments and condotels located between UGM and UII campuses, and the number of attractions in DIY Province. Evaluation of EFE matriks has total score 2.96. The score shows that the company is currently able to respond to opportunities and threats.

The analysis of the company’s internal environment shows that the most important strength possessed by the company at present are collaboration with experienced PT Tata Bumi Raya contractors and continued disbursement of loan funds from Bank BTN Syariah. Evaluation of IFE matrix has total score 2.5 indicating that the internal company is in an average position, meaning that the company is neither too strong nor too weak.
Based on EFE and IFE matrix, the company position in IE matrix is on cells V (hold and maintain). The position of the company in these cells can be controlled by the strategy of market penetration and product development. Other strategies were also formulated using the SWOT matrix and obtained 5 alternative strategies to improve company performance: (1) rebranding the names of apartments and condotels; (2) improve good relationship with consumers; (3) increase promotion and sales activities; (4) make value added for the apartments; (5) recruiting experienced sales employees.

The management implication of this research is a formulation of company improvement performance by detail activity from 5 strategies that have been built and time of implementation of each activity. The detail activity of each strategies formulated into a strategic plan for next four years (2019-2022).

Keywords: performance, EFE matrix, IFE matrix, SWOT matrix, strategy