THE INFLUENCE OF QUALIFICATION OF CONTRACTOR TO THE PERFORMANCE OF ROAD PROJECT IN EAST JAVA WITH BIDDING PRICE AS INTERVENING VARIABLE

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ABSTRACT

Procurement is a significant factor for successful completion of a construction project. The bidding criteria has to be determined objectively and fairly for both the owner and the contractors. The most influential factor in the selection process of the contractors for the government is bidding evaluation. Bidding evaluation is a process to determine the winner of tender by combining the purpose of the project owner, contractor capabilities, and the lowest price that can be accounted. There are many failed projects due to impropriety in choosing a contractor. Factors that may affect the selection of the proper contractor is expected to contribute to the result of construction project performance.

The purpose of this study was to determine the influence of qualification of contractor toward project performance with the bidding price as the intervening variable. This study started with collecting the secondary data that relevant with the purpose of this research. Researcher did the research in a finished project of Dinas PU Bina Marga provinsi Jawa Timur, ‘Satuan Kerja Pelaksanaan Jalan Nasional Metropolitan II’ Surabaya from 2011 to 2013. Variable measurement of contractor’s qualifications is based on references issued by Kelompok Kerja (Pokja) Pengadaan Pekerjaan Konstruksi 'Satker Pelaksanaan Jalan Nasional Metropolitan II' Surabaya. Variable measurement identification of construction project performance was done using literature study and spreading questionnaires to the Pejabat Pembuat Komitmen (PPK). Researcher uses Analysis Partial Least Square (PLS) to see the effect of bidding price and contractor's qualifications.

The result using Partial Least Square (PLS) showed that contractor qualification has effect to bidding price with value 0.396. Bidding price has effect to project performance with value 0.192. Moreover, contractor qualification has effect to project performance with value 0.463. Contractor qualification has effect to project performance with bidding price as intervening variable of 0.076. The amount of diversity data of project performance variables that can be explained by the bidding price and contractor qualification is 0.321.

Keywords: Bidding Price, contractor qualifications, performance project, bidding evaluation