Analysis on Reputation, Competence and Experience as Requirements in Contractor Selection

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Abstract

In a construction project, an owner generally involving a contractor to execute its project due to unavailability of adequate internal resources. The involvement of external party in the project, on the other side, raising a risk to the project. This research aims to analyze and understand in depth the factor determining the success of construction project involving contractor. The research was conducted at PT Vale Indonesia in Sorowako, Indonesia, by taking samples of employees involved in construction projects. Data collection is done through documentation and questionnaire. Data analysis was done by factor analysis using computer software SPSS. The results shows that there are three factors affecting project performance with a total cumulative variance of 61.708%. Factor I consists of conscientiousness, reputation, and cooperative relationship with eigenvalue of 3.693 and total variance of 39.930%. Factor II consists of job knowledge, job proficiency, initiative, and social skill with eigenvalue of 1.357 and total variance of 13.574%. Factor III consists of job experience, controllability, and commitment with eigenvalue of 1.120 and total variance of 11.204%. The findings of this study can be used by project owners as reference in selecting contractors.

Keywords: job knowledge, project performance, experience, reputation, competence