

## **ABSTRACT**

*This study aims to understand and analyze the impact of implementing strategic alliances on competitive advantage and the impact of competitive advantage on firm performance. The research method used is Structural Equation Modeling (SEM) with the AMOS program to evaluate the correlation between variables. The results showed that quality orientation has a positive but insignificant effect on strategic alliances. In contrast, supplier partnerships have a positive and significant effect on strategic alliances. Supplier partnership also has a positive and significant effect on competitive advantage. Strategic alliances were found to have a positive and significant effect on competitive advantage. However, quality orientation has a positive but insignificant effect on competitive advantage. Finally, competitive advantage has a positive and significant effect on firm performance. In conclusion, while quality orientation is important, supplier partnerships and strategic alliances play a key role in enhancing competitive advantage and firm performance. This study suggests further studies involving additional variables and diverse research methods to gain a more comprehensive understanding of the factors affecting construction business dynamics.*

**Keywords:** *Supplier partnership, quality orientation, strategic alliance, competitive advantage, firm performance.*

