

Abstract

This study aims to determine the effect of partnerships, knowledge management, service innovation, adaptation to environmental change as a competitive advantage strategy to improve the performance of study companies in non-formal education institutions in DKI Jakarta. The sample in this study was 210 but only 150 institutions were willing to respond to this study.

The collected data were analyzed using an approach in the form of structural equation modeling (SEM) with the application used, named Amos 22. The results of this study indicate that partnerships have a positive and significant effect on competitive advantage, knowledge management is positively and significantly related to competitive advantage, service innovation is positively related and significant with competitive advantage, adaptation to environmental change is positively related to competitive advantage.

And this study also analyzes how the relationship between endogenous variables influences. The results of this study state that competitive advantage has a positive and significant effect on company performance.

Key words : Partnership, Knowledge Management, Service Innovation, Adaptability, Competitive Advantage, and Firm Performance.