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The Influence of Capability Managerial on Competitiveness of the Company through the Planning Strategy, Investment, Innovation and Performance of the Company (a Study on Corporate Manufacturing Industry Group B Medium Sized Territory Gerbang Kertosusila, East Java)

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ABSTRACT

Purpose of this study was to analyze the influence of managerial capabilities to the company's competitiveness through strategic planning, investment, innovation and the company's performance in the manufacturing industry in the mid-scale Class B Gerbang Kertosusila Territory, East Java. The research sample number of 125 companies manufacturing industry in the middle of Class B scale Gerbang Kertosusila Territory, East Java. Sampling by using purposive sampling (manufacturing industry Group B) with cluster sampling (based on Gerbang Kerosusila area), as for the calculation of cluster sampling by using proportional random sampling. Research questionnaire used as an instrument of primary data collection. Data analysis technique used is the analysis of structural equation modeling. The variables used in this study, including the ability of the managerial, strategic planning, investment, innovation, the company's performance and competitiveness. The results showed the managerial capacity affect the company's competitiveness through strategic planning, innovation, investment, and corporate performance.

Keywords: Managerial Capabilities, Strategic Planning, Investment, Innovation, The Company's Performance, Competitiveness
JEL Classifications: D8, L2

1. INTRODUCTION

The results of the World Economic Forum on the Global Competitiveness Index 2017-2018, Indonesia's competitiveness globally this year are in position 36 of 137 countries. The position in the ranking is driven by a large market size and the macroeconomic environment is relatively strong. Indonesia in 2016 occupies the position 41, while in 2015, ranks 37th out of 140 countries. The best ratings ever come by Indonesia in 2014, ranks 34th out of 144 countries. Although climbed to 36, Indonesia's competitiveness is still below 3 neighbors in ASEAN countries namely Thailand who are in the top 32, Malaysia at position 23, and Singapore in position 3.

Rating Indonesia in ASEAN's competitiveness is still weak in spite of the problems competitiveness of the industry, especially the manufacturing industry. Growth in industrial production of large and medium manufacturing in Indonesia in the first quarter in 2013 based on BPS data in 2013 grew by 8.94% compared to the same period in 2012. The sectors that grew in stature in the industry among motor vehicles, trailers and semi-trailers ride 27.73%, bamboo, rattan, and the like 23.88%, basic metal industry 12.28%, 9.93% of the apparel industry and the food industry grew 0.30%.

The decline in the competitiveness of Indonesia can not be separated from the problem of competitiveness of the industry, especially the manufacturing industry. The growth of manufacturing industry based on data from Bappenas 2014 increased by 6.4%, has contributed to the national Gross Domestic Product 20.8% or Rp1.714 trillion in 2013. According to the Industrial Development Report of 2011, Indonesia's manufacturing industry has decreased competitiveness of ranking 40^{th} in the year 2005 to rank 43^{rd} in 2009.

The rapid growth of the industry are also shown on the large manufacturing industry sector was in the area Gerbang Kertosusila (Gresik district, Bangkalan district, Mojokerto district, Mojokerto city, Surabaya city, Sidoarjo district, Lamongan district). Data Bappenas 2015 Number of large industry was in East Java class B (metal, machinery, textile and miscellaneous) is 119 496 units, whereas in Gerbang Kerosusila area 391 units with the following details; Gresik as many as 84 units, 3 units Bangkalan, Mojokerto much as 9 units, 132 units of Surabaya, Sidoarjo regency as many as 142 units and 21 units Lamongan.

Manufacturing industry growth target can be achieved more optimal if the perpetrators of the manufacturing industry to implement a reliable technology and innovation to increase production capacity world-class quality. The implementation can be achieved if balanced with good improvement in managerial skills of entrepreneurs in Indonesia. Currently, the number of young entrepreneurs in Indonesia reached 0.18% of 40% (627 million) of the population of ASEAN. Meanwhile, in developed countries, the number of entrepreneurs at least 2% of the total population. So we need Indonesia is 4 million new young entrepreneurs, who are prepared for the Asean Economic Community(Fathoni, 2015).

Management companies productive and necessary ideal good managerial abilities of the leadership of the company. The managerial capabilities include corporate strategy planning can make. Planning corporate strategy are generally short-term (annual), medium term (5 years) and long term (10 years). Planning short-term corporate strategy, in the form of the Work Plan and Budget (CBP) yearly, where in the preparation of the CBP are elements of investment, innovation and performance of the company and at the end of each year will be evaluated on their achievement. Planning a good corporate strategy will have an impact both on investment and innovation, which will ultimately have an impact on the competitiveness of enterprises. Managerial capabilities will vary with leadership abilities. According Purwanti (2013) managerial ability is the ability of managers to implement managerial activities to the organization's success in need, both technical skill level, as well as non-technical and experience to do thejob. Managerial capabilities by Robbin (2006) there are three things, the management skills that are absolutely required by a manager are technical, personal and conceptual, while Stoner (1996) states managerial capabilities include: Technical skills, human skills, and conceptual skills. According to David (2011) states manager of financial and accounting should be able to devise an effeective strategy implementation approach with low cost and minimal risk for the company, raising capital, developing the projected financial statements, prepare financial budgets, and evaluating the business value. Research and Development Manager must have the ability to transfer complex technologies or developing new technologies to successfully implement a strategy. Information systems managers must be able to provide leadership and training for all individuals within the company.

Improving managerial capacity within the company is very desirable, because a manager is required to be able to make a good planning corporate strategy in improving the competitiveness of companies. Strategic planning by Rue and Ibrahim (1998) and Shrader et al. (1989) is a written plan long term, by which states the company's mission and statement of purpose of the organization. Planning a good strategy planned by the manager can be used as guidance in achieving the vision and mission of the company. This statement is similar to Allison and Kaye (2011) which states that the application of a good strategic planning can guide an organization to be responsive to the dynamic environment and difficult to predict.

Planning a good corporate strategy is the basic foundation to be possessed by a manager in increasing investment and innovation. According to the Sasana (2008) investments are defined as expenditures for the purchase of capital goods and equipment production with the aim to replace and augment especially capital goods in the economy that will be used to produce goods and services in the future. Kuratko and Hodgetts (2004) states that innovation is a new or changes in wealth creation and improvement of existing resources to create new wealth, while Thornhill (2006) states that innovation is also seen as a process of creating ideas, developing product discovery and eventual introduction baru. Bakar and Ahmad (2010) add that capability in product and business innovation is very important for companies to take advantage of new opportunities and to gain a competitive advantage.

Managerial skills of a manager in increasing investment and innovation for the company is very important, because of the increased investment and innovation in the long term will have direct impact on the performance and competitiveness of the company. The statement was in line with statements made by Thurow (1992) and Sorenson and Fleming (2004) which stated that the ability of managers to access and apply managerial knowledge in strategic planning of the company should be backed up by a factor of innovation and technological development linkages indirectly by increasing investment companies, Jong and Vermeulen (2006), investments in the company will determine the innovations implemented by the company and further innovation will also affect the company's performance. Increased managerial ability in improving the company's performance should be carried out by the manager, because of the improved performance of the company, which will directly impact on the competitiveness of the company. According to Porter (2003) states that competitiveness is often defined as the ability or competitive advantage.

Some researchers suggest there is significant influence between the managerial capacity of the planning corporate strategy (Hart and Banbury, 1994; Bailey et al., 2000; Haberberg and Rieple, 2001; Umar, 2011; Bartlett and Ghosal, 2013), whereas the relationship managerial abilities and planning the level of investment strategy has also been confirmed by Aldehayata (2011). While the research results Rylková and Bernatík (2014) have proved their ability to influence the managerial, strategic planning, innovation and company performance.

Results of research on the relationship of innovation and company performance has also been confirmed by Dibrell et al. (2014), while Terziovski (2010) have shown the influence of the planning strategies on innovation. Natasha (2013) have shown a link strategic planning to the performance of the company and a significant correlation between the performance of companies on the competitiveness of the company. Ellitan research results (2006) have shown a significant relationship between innovation and investment on the performance of the company. Findings Ellitan (2010) about the relationship between innovation and corporate performance is supported by several studies that have been done by Philips (2000), Gunday et al. (2011), Lang et al. (2012), Acar and Acar (2012), as well as Kocoglu et al. (2012), while the results of Yam et al. (2011) also have shown the influence of innovation and investment rates on corporate performance. Samad research results (2012) also concluded that a link between leadership and innovation on company performance.

The results of research show that the competitiveness of companies is also affected managerial ability, stats strategy, and firm performance. Asmarani (2006) has shown significant influence relationship between the managerial capacity for planning strategy, where high strategic planning skills, managers tend to run a strategic planning process with sufficient intensity to affect the bottom line. Findings Asmarani (2006) also strongly supported by the findings of Bharadwaj et al. (1993) and Grant (1995) stated that the influence of the company's performance on competitive advantage can be achieved when the managerial ability can be applied in the creation and implemented in strategic planning, and created a bottleneck factor in the long term.

2. LITERATURE REVIEW

2.1. Managerial Capability

Miller and Cardinal (1994) and Hopkins and Hopkins (1997) developed two main variables of managerial personality factors, namely confidence in their relationship with the performance of strategic planning. The involvement of key stakeholders as well as top management commitment is essential for the successful development of the company's strategic plan. The process of developing a strategic plan of the company different from other regions, since no impact to the organization and a special type of stakeholders (Umar, 2011). The success of a small company's technology development often depends on the ability to access and apply managerial knowledge (Sorenson and Fleming, 2004). West and Noel (2009) also demonstrated managerial skills needed to commercialize an innovation encompasses all aspects of the value chain factors market conditions for internal processes for product market preferences. Purwanti (2013) indicator of the ability manajerial operate an information system covering skills, expertise in mastering accounting techniques, and expertise in motivating employees.

2.2. Strategic Planning

Philips (2000) planning effective strategies influence on the financial performance shown in the role of managers in decision-making behavior. Further study of Barker and Duhaime (1997) states the relationship between the planning process and financial performance on a selected company showed significant gains. The link further on the development of strategic planning is the creation of a sustainable competitive advantage. This was achieved when management capabilities and use the creation and implementation of a strategy to hold on excellence is the case of imitation, able to create resistance factor in a longer period of time (Rumelt, 1984; Bharadwaj et al., 1993; Grant, 1991; Mahoney and Pandian, 1992).

Based on the research of experts in general, concluded bahwa planer beat non-planners, the idea is that companies that have a formal plan is superior to rencana informal, because the process of writing the plan require for ideas and goals for thoughtful (Shrader et al., 1989; Hopkins and Hopkins, 1997; Rue and Ibrahim, 1998). This opinion is also supported by Robinson and Pearce (1983), quoted by Shrader et al. (1989) that the more complicated the planning process, then the better the performance of the organization.

2.3. Investment

Investing or investment is forming part of the national added value, which is the purchase of capital goods and equipment of production to increase the ability to produce goods and services available in the economy. Increased economic activity is dependent upon the flow of capital for productive enterprises. There while experts say that exports and investment is the"engine of growth".Therefore, the high rate of economic growth and sustainable was generally supported by increased exports and investment (Sutawijaya and Zulfahmi, 2014).

Indicators can include investments in financial innovation, technology, and investment-related daya manusia source of innovation activities in production (Thompson and Ewer 1989). Human capital investments include salaries, training and development, and other costs yang berhubungan with staff capacity development (Tidd et al.,2005 in Ciptono, 2006).

2.4. Innovation

Kuratko and Hodgetts (2004), innovation is the creation of new wealth atau perubahan and improvement of existing resources to create new wealth. Innovation is also seen sebagai proses creation of ideas, the development of the discovery and eventual introduction of new products, processes or services to the market (Thornhill, 2006). Nowadays, this concept is applied in every social live aspect and activities.

Beaver (2002) believe that innovation is an essential element for the progress of a country's economic and industrial competitiveness. Innovation plays an important role not only for large companies, but also untuk UKM (Jong and Vermeulen, 2006). Sandvik (2003) argues that innovation is an important competitive weapon satu kebanyakan and generally seen as the ability of the company's core values. innovation is considered as an effective way to increase the productivity of the company due to problems daya menghadapi enterprise resource constraints(Lumpkin and Dess, 1996). Bakar and Ahmad (2010) add that capability in and innovation product business is very important for companies to take advantage of new opportunities and to gain a competitive advantage.

2.5. Company Performance

Beal (2000) argue that there is no consensus on the most variable performance in a research and measures that have been used objective performance. Sapienza et al. (1988) argued that accounting-based performance measures dan financial organization has its drawbacks than caused by the variation method accounting, also caused by the tendency of manipulation of figures dari management so that the measurement becomes invalid.

The performance indicators can be measured in terms of financial and non-financial (Darroch, 2005; Bagorogoza and Waal, 2010; Bakar and Ahmad, 2010). Most companies prefer to adopt a financial indicator to measure their performance (Grant et al.,1988). In addition to financial indicators are profitability, productivity, growth, stakeholder satisfaction, market share and competitive position (Garrigos-Simon and Marques, 2004; Marques et al., 2005; Bagorogoza and Waal, 2010).

2.6. Competitiveness

Companies have realized that improving corporate performance by integrating the network of organizations will enhance the competitiveness of companies (Kannan and Tan, 2010). Measurement of competitiveness or competitive advantage in research Day and Wensley (1988) stated that there are two foothold in achieving competitive advantage, first adalah keunggulan resource consisting of excellence expertise and excellence dalam bahan raw, then the second is excellence position consists of keunggulan biaya relatively low and excellence value for customers.

2.7. Capability Managerial, Strategic Planning, Investment, Innovation, Corporate Performance and Competitiveness of Companies

Framework hypothesis influence managerial capabilities on the competitiveness of companies through strategic planning, investment, innovation and performance of the company was formed based on the theory, the phenomenon and the research gap past which are still partial. As for the explanation as follows:

1. The influence of managerial capabilities to the strategic planning of managerial involvement in determining the strategic planning to determine the degree of expertise in strategic planning manager. Henry (1980) in Hopkins and Hopkins (1997) estimated that the involvement of management in strategic planning is that an understanding to ensure that the process is carried out in a comprehensive manner, very little or no attention, depending on whether management has the expertise to run the process. The formulation of the strategic planning is influenced by the behavior of the manager (Bailey et al.,2000; Haberberg and Rieple, 2001; Hart and Banbury, 1994). The research findings of Aldehayata (2011), Bartlett and Ghoshal (2013) and Rylková and Bernatík (2014) which states that there is influence between managerial capabilities with strategic planning and its influence can be seen in the change and development of an organization.
   H_1: Influence capabilty managerial on strategy planning
2. The influence of strategic planning for innovation planning a good strategy to win the competition is always forward innovation in the company. Allison and Kaye (2011) states that the definition of strategic planning is a systematic process that was agreed between the organization and establish the involvement of stakeholders majoron priorities that are vital to its mission and responsive to the operating environment. Strategic planning is particularly used to sharpen the focus of the organization, so that all resources are used optimally organization to serve the mission of the organization. Planner beat non-planners, the idea is that companies that have a formal plan is superior to the plan informally, because the process of writing the plan require for expressing ideas or innovations and goals for the thoughtless (Hopkins and Hopkins, 1997; Rue and Ibrahim, 1998; Shrader et al.1989).
   H_2: Influence on innovation strategy planning
3. The Influence of the investment strategy planning Rue and Ibrahim (1998) in Rue and Ibrahim (1998) which states that strategic planning should be able to increase profits (profit) and stated that good planning is the key to success. Hunger and Wheelen (2003)states that the planning of the strategy is the development of a long-term plan for the influenceive management of environmental opportunities and threats to the four indicators, namely, mission, goals, strategies, and policies. Measurement and control exercised by the company should be able to be balanced with access and apply the knowledge to exploit the advantages and the level of investment in technology, in order to grow and survive (Human and Provan, 1996; Lane and Lubatkin, 1998). Aldehayata (2011) also states that there is a relationship between planning an investment strategy.
   H_3: Influence on the investment strategy planning
4. The Influence of investment on innovation investment decision for the implementation of the innovation is a commitment of resources now for the future with the hope of receiving future benefits of innovation cash flow high that will greater than current expenditures (Brigham and Ehrhordt, 2005). Dimensions investment in innovation can be financial, technological and human resource investments associated with innovation activity in production (Thompson and Ewer 1989). The relationship between investment in innovation is also supported by research Ellitan (2010), Yam et al. (2011), Lang et al. (2012).
   H_4: Influence investment on innovation
5. The Influence of innovation and company performanceinnovation or development is part of a financial investment, while investment in equipment technology in the form of the purchase of infrastructure and basic facilities necessary basis for innovation (Thurow, 1992). Product innovation in the company's development will have an impact on the performance of the company (Tidd et al., 2005 in Ciptono, 2006). Some empirical findings show a positive relationship between product innovation and company performance is reinforced by research Gunday et al.(2011), Lang et al. (2012), Pickles and Pickles (2012), Kocoglu et al. (2012), and Samad (2012).
   H_5: Influence investment on innovation
6. The influence of the investment on business performance Increased investment in the company will provide a direct positive impact on company performance. Economic theory defines investment as expenses for the purchase of capital goods and equipment production with the aim to replace

and especially add capital goods in the economy that will be used to produce goods and services in the future (Sasana, 2008), Tidd et al. (2005) states that the investment includes four indicators, namely the expertise of staff, information technology, information systems architecture that is flexible and efficient, and information sharing. Investments human capital includes salaries, training and development, and other costs associated with the development of the capacity of staff and impact on the performance of the company (Tidd et al., 2005 in Ciptono, 2006) and the influence of the level of investment performance was also supported by research Ellitan (2010) and Kalkan et al.(2011).

H_6: Influence investment on the company's performance

7. The influence of the company's performance on the competitiveness of companies The objective of competitive strategy is the achievement of a sustainable competitive advantage by improving the performance of the company. Competitive advantage can be achieved from implementing the strategy of value creation is not simultaneously but with the condition that the potential competitors (Barney, 1991). In connection between the influence of the company's performance on competitive advantage can be achieved when management capabilities and use the creation and implementation of a strategy to hold on excellence is the case of imitation, able to create resistance factor in the long term (Bharadwaj et al.,1993; Grant, 1991; Rumelt, 1984).

H_7: Influence company's performance on the competitiveness of companies

Based on the above, the conceptual framework of the study are shown in Figure 1.

3. METHODOLOGY

3.1. Sample and Data Collection

Sampling by using purposive sampling (manufacturing industry Group B) with cluster sampling (based on Gerbang Kertosusila area), as for the calculation of cluster sampling by using proportional random sampling. The approach used in this research is quantitative approach using positivist paradigm (positivism). The research was conducted in the area Gerbang Kertosusila. Selection of companies or medium scale manufacturing industry in theof class B area Gerbang Kertosusila. When the study between the months of April 2016 to October 2016. The questionnaire was distributed by researchers totaled 126 for the manufacturing industry in the mid-scale Class B Gerbang Kertosusila region, East Java. Number of questionnaires returned by 125 questionnaires, while the first questionnaire is not returned to the researcher. Table 1 shows the characteristics of respondents.

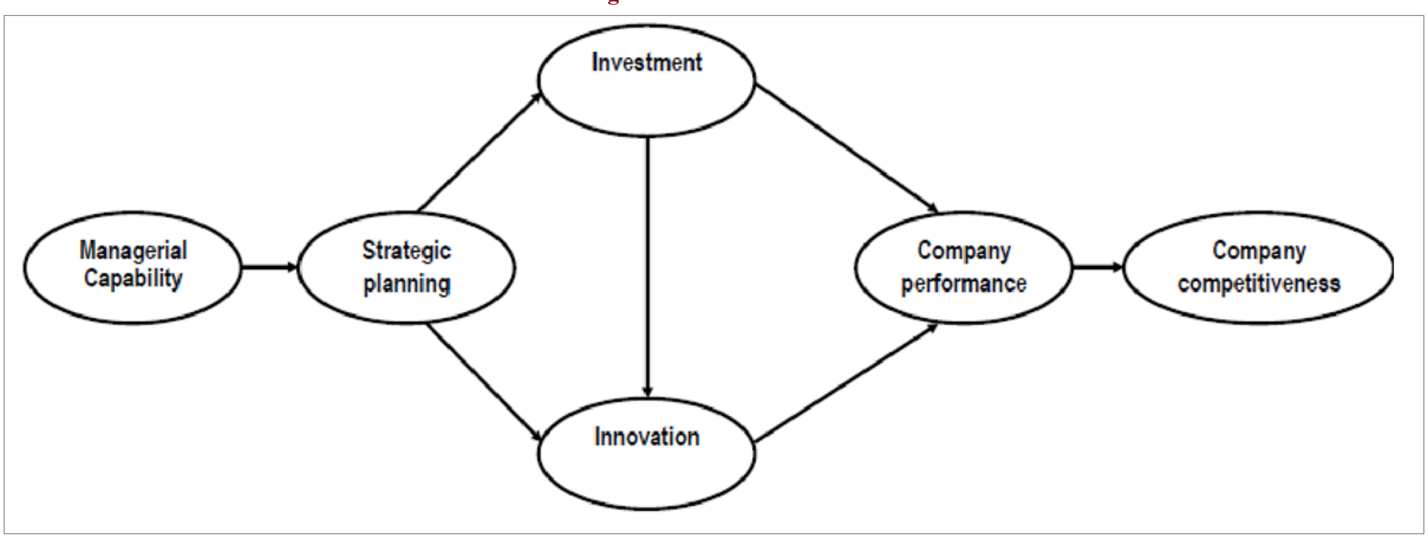
3.2. Measurement

Variable capability managerial formed from several indicators measured using 5-point Likert scale. The indicator refers to the research results Purwanti (2013), Winardi (1993), Stoner (1996), Gitosudarmo and Sudito (2000), as well as Asmarani (2006), namely, the expertise to optimize the information system for decision making, skills in mastering the techniques of accounting, and expertise in motivating employees.

Table 1: Characteristics of respondents

Characteristics respondents	Total (%)
Operating companyold	
5–10 years	50 (40)
10–20 years	64 (51.2)
20–30 years	11 (8.8)
Total Workforce	
<50	44 (35.2)
50–100 people	74 (59.2)
100–500 people	7 (5.6)
typeCompanies	
Local	125 (100)
Partnership	
Other	125 (100)
Assets Company	
<1 billion	31 (24.8)
1–10 billion	62 (49.6)
11–20 billion	32 (25.6)
Old Working	
6–10 Years	22 (17.6)
11–15 Years	71 (56.8)
16–20 Years	32 (25.6)

Figure 1: Research Model



Variables formed strategic planning of several indicators measured using 5-point Likert scale. The indicator refers to the results of research and K'Obonyo Arasa (2012) and Wheelen (2003), namely, mission, goals, strategies, and policies.

Variable innovation formed from several indicators measured using 5-point Likert scale. The indicator refers to the results of research Kuratko and Hodgetts (2004), Thornhill (2006), and Hadjimanolis and Dickson (2000), namely, product innovation, process innovation, and**s** sources of innovation.

Variable investment was formed from some of the indicators measured using 5-point Likert scale. The indicator refers to the results of research Sutawijaya and Zulfahmi (2014). Sasana (2008), Ellitan (2006) and Tidd et al. (2005), namely, expertise of staff, information technology, information systems architecture that is flexible and efficient, and information sharing.

Variable performance of the company formed from several indicators measured using 5-point Likert scale. The indicator refers to the research results Asmarani (2006) and Murphy et al.(1996),namely, the growth (growth), profitability (profitability) and efficiency.

Variable competitiveness of companies formed from several indicators measured using 5-point Likert scale. The indicator refers to the results of research Bahri (2012), Asmarani (2006), Day and Wensley (1988), and Bharadwaj et al. (1993), namely, worth, unlike the others, is not easily imitated, and not easily replaced.

3.3. Data Analysis

The data analysis used in this study using structural equation modeling (SEM).

3.4. Test Goodness of Fit

Test results goodnes-of-Fit Overall Model SEM final stage is presented in Table 2.

Comparing the two models of SEM, the initial model and the final, it can be argued that through the modification indices,the result SEM tahap this end obtained Chi-square (χ^2)is smaller that (176.046 < 382.371), because the p value was < 5%, then for criterion χ^2model is still called the marginal model (good approach). Criteria CMIN/DF (Model already good). Values were also obtained better RMSEA (0.022 < 0.094), and TLI greater than the results of the SEM analysis (0.994 > 0.899).

3.5. Hypothesis Testing

Testing the hypothesis of this study dilakukan dengan how to view the paths at signifikan pada uji structural model fitness model

Table 2: Value Goodness-of-Fit

Criteria	Value critical	Test result model	Description
χ^2- Chi-square	small and insignificant	176.046 (P=0.000)	Model Marginal
Chi-square/DF	≤2.00	1.061	Model Good
RMSEA	≤ 0.08	0.022	Model Good
TLI	0.90≥	0.994	Model good

(Goodness-of-the fittest), has described based on test results SEM early stage it is known that model belum fit for use. SEM test results via regression weight and path coefficient test. Path coefficient test results are presented in Table 3, while Figure 2 shows the coefficient between variables.

4. DISCUSSION

4.1. The Influence of the Managerial Capacity for Planning Strategies

Hypothesis test results with analysis of the data collected shows the ability of managerial positive and significant impact on strategic planning also provides information on the importance of managers master the four skills (expertise optimizing information systems for decision making, skills in mastering accounting techniques, and expertise in motivating employees), because it gives a positive impact on strategic planning. Indicators dominant managerial ability is an indicator of expertise to optimize the system of information and expertise in mastering accounting techniques. Indicators of expertise to optimize the system for decision-making information reflects the ability of managers to operate a computer program applications to support the company's progress, control of information systems through online media to support operational tasks in the company, as well as expertise in delivering marketing information through the information system of the company. This indicator is reflected by the respondents' answers the highest was 51.2% answered agree with a value mean of 3.53 which means that the actual managers have the expertise or capability sufficient to operate the information system.

Indicators of expertise in mastering accounting techniques reflect the manager's ability to read and analyze the company's financial statements with accounting standards have been established and the ability to apply the company's accounting techniques in accordance with the changes. This indicator is reflected by the respondents' answers the highest was 51.2% answered agree with a value mean of 3.51 which means that the fact that managers have the expertise or sufficient ability to master the technique of accounting.

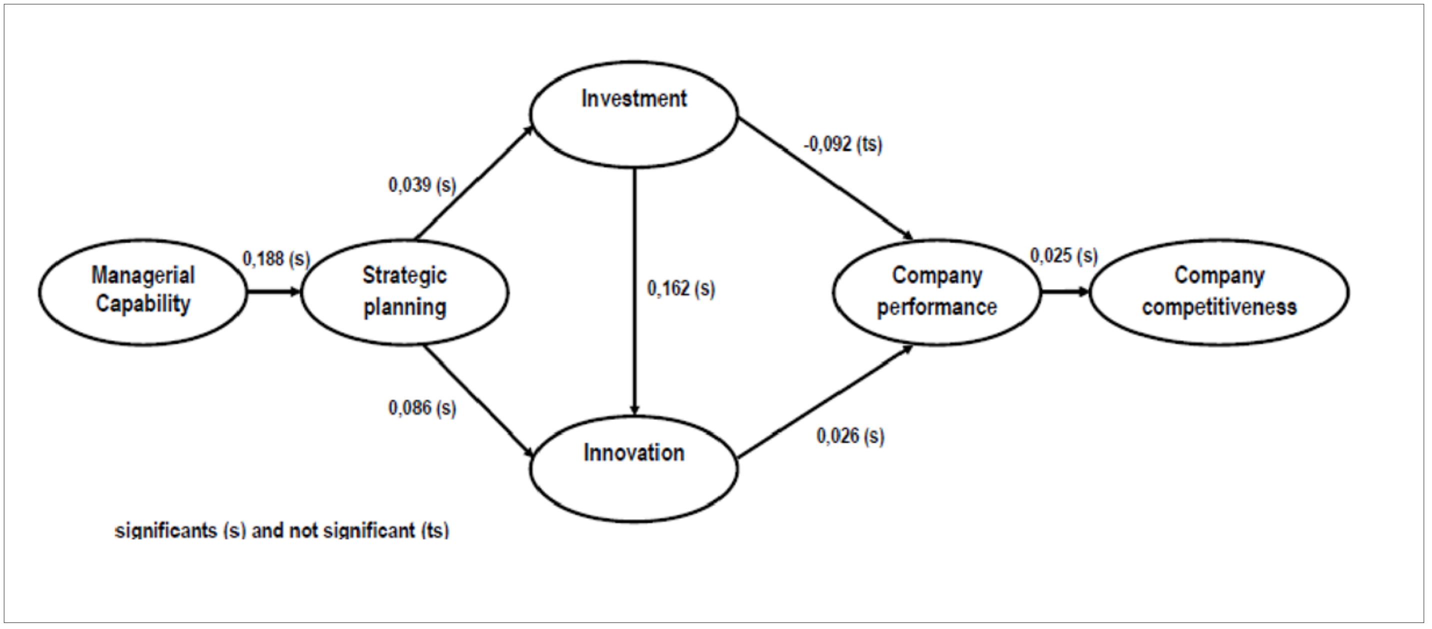
The involvement of key stakeholders as well as top management commitment is essential for the successful development of a strategic plan maintenance. The process of developing a strategic plan in maintenance in contrast to other regions, because no impact to the organization and a special type of stakeholders (Umar, 2011). The success of a small company's technology development often depends on the ability to access and apply managerial knowledge (Sorenson and Fleming, 2004). This capability allows managerial entrepreneurial companies in the alliance to exploit their technological advantages to grow and survive (Human and Provan, 1996; Lane and Lubatkin, 1998).

Competence in strategic planning to determine the degree of expertise in strategic planning manager. Henry (1980) in Hopkins and Hopkins (1997) estimated that the involvement of management in strategic planning is that an understanding to ensure that the process is carried out in a comprehensive manner, very little or no attention, depending on whether management has the expertise to

Table 3: Test regression weight and path coefficients

Hypothesis	Variables dependent	Variable independent	CoefficientDirect (Estimate)	P-value	Significance Influence Between Variable
1	Managerial capabilities	Strategic planning	0.219	0.022	Significant
2	strategy planning	Investment	0.051	0.033	Significant
3	Planningstrategy	Innovation	0.080	0.042	Significant
4	investments	Innovation	0.334	0.015	Significant
5	investment	Company performance	-0.121	0,556	Not Significant
6	Innovation	Company performance	0,038	0,039	Significant
7	Company performance	Company Competitiveness	0,027	0,047	Significant

Figure 2: Result analysis of model



run the process. Steiner (1979) explains that the superior financial performance in companies that are not a direct result of strategy planning, but is the result of the overall managerial capabilities within a company. These capabilities include knowledge and skills to succeed in doing strategic planning.

The formulation of the strategic planning is influenced by the behavior of the manager (Bailey et al., 2000; Haberberg and Rieple, 2001; Hart and Banbury, 1994) and also the study of Aldehayata (2011), Bartlett and Ghoshal (2013) and Rylková and Bernatík (2014), which states that there is influence between managerial capabilities with strategic planning,so that the influence in the long term can be seen in the change and development of an organization.

4.2. The Influence of Strategy Planning Towards Innovation

strategy planning positive influence on innovation shows that if the better the ability of managers to make strategic planning(mission,goals, strategies, and policies),it will be a significant and positive impact on innovation. Mission indicator reflects the ability of managers in interpreting and applying the company's mission, to implement the mission that has been set by the company, and develop the mission of the company in order to enhance the competitiveness of this perusahaan. Indikator respondents reflected by the highest of 49.6% answered agree with value the mean of 4, 31 which means that the manager actually have the good ability in developing and implementasi misi perusahaan.

Planning a good strategy to win the competition is always forward innovation in the company. Allison and Kaye (2011) planning strategy is particularly used to sharpen the focus of the organization, so that all resources are used optimally organization to serve the mission of the organization. This means that planning strategies to guide an organization must be responsive to the dynamic environment and difficult to predict. Planning strategy emphasizes the importance of making decisions that put the organization to successfully respond to changes in the environment. Planner beat non-planners, the idea is that companies that have a formal plan is superior to the plan informally, because the process of writing the plan require for expressing ideas or innovations and goals for the thoughtless (Hopkins and Hopkins, 1997; Rue and Ibrahim, 1998; Shrader et al., 1989).

4.3. The Influence of the Strategic Planning of the Investment

Results of hypothesis testing strategy planning of investments showed a positive and significant influence. Indicators of dominant influence strategic planning of investment variable is the mission. Mission indicator reflects the ability of managers in interpreting and applying the company's mission, to implement the mission that has been set by the company, and develop the mission of the company in order to enhance the competitiveness of enterprises. This indicator is reflected by the highest of respondents 49.6% answered agree with avalue mean of 4.31 which means that the manager actually have the good ability in developing and implementasi mission.

Finding a positive influence and significant correlation between planning strategy by investing in this research, in line with the findings Rue and Ibrahim (1998) in Rue and Ibrahim (1998) which states that strategic planning should be able to increase profits and stated that good planning is the key to success. Measurement and control exercised by the company should be able to be balanced with access and apply the knowledge to exploit the advantages and the level of investment in technology, in order to grow and survive (Human and Provan, 1996; Lane and Lubatkin, 1998). The statement is also supported by Brigham and Ehrhordt (2005) in Salah (2008) which states that the investment decisions for the implementation of the innovation is a commitment of resources now for future harapan menerima future benefits of greater innovation dari pengeluaran now. Aldehayata (2011) also states that there is influence between the investment strategy planning.

4.4. The Influence of Investment to Innovation

Hypothesis test results influence the investment to innovation provides a positive and significant influence, it showed that the higher the ability of managers to increase investment, then also increase the innovation within the company. Indicators dominant variable affecting investment companies is an indicator of innovation in information technology. Indicator reflects the ability of the manager of information technology in providing and improving the computing speed of each unit of information technology systems and data traffic between units of information technology systems and creating alignment unit and information technology systems with the company's strategic objectives. This indicator is reflected by the highest of respondents 66.4% answered agree with avalue of mean 4.34 means that a manager actually has a good ability to create alignment unit and information technology systems with the company's strategic objectives.

Increased investment in the company will increase the creativity or idea/innovation of human resources in firms in winning the competition both at national and international levels. Investment is shopping activity to increase the production capacity of the economy something (Sasana, 2008). Investment Decision for the implementation of the innovation is a commitment of resources now for the future with the hope of receiving the benefits of future innovations high that will be greater than spending now (Brigham and Ehrhordt, 2005), Dimensions investment in innovation can be financial, technological and human resource investments associated with innovation activity in production (Thompson and Ewer 1989). The relationship between investment in innovation is also supported by research Elitist (2006), Yam et al. (2011), Lang et al.(2012)

4.5. The Influence of Innovation on Company Performance

Innovation positive and significant impact on the performance of the company, showed the better managers have the ability to innovate (product innovation, process innovation, and sources of innovation), it will provide a significant and positive impact on company performance. The most dominant innovation indicators affect the performance of the company is product innovation. Product innovation reflects the ability of the manager to develop the invention of new technologies for product innovation, so that the company can still compete with other products on the market, develop innovative products with regard to finance in the company, and develop innovative products with regard to the sustainability of cheap raw materials, friendly environment, and products can still compete in this market. Indicator respondents reflected by the highest was 85.6% answered neutral with a mean of 3.11 which means that the manager actually has enough ability to develop innovative products in the company.

Adoption of innovations that the more the company will provide a positive impact on the performance of the company and will indirectly impact on improving the competitiveness of enterprises. Product innovation in the company's development will have an impact on the performance of the company (Tidd etal.,2005 in Ciptono, 2006). Some empirical findings show a positive relationship between product innovation and company performance (Koellinger, 2008; Tseng et al., 2008) and the relationship between the two variables is also reinforced by research Gunday et al.(2011), Lang et al. (2012), Acar and Acar (2012), Kocoglu et al. (2012), Samad (2012), Atalay et al. (2013) and the Camisón and Villar-López (2014).

4.6. The Influence of Investment on Company Performance

Results of hypothesis testing showed no significant negative influence and between investments on the performance of the company. These findings indicate that the better the ability of managers to increase investment (staff expertise, information technology, information systems architecture that is flexible and efficient, and information sharing),then it will not have an impact on improving the company's performance. The dominant indicators on investment variables that affect the company's performance is an indicator of information technology. Indicator reflects the ability of the manager of information technology in providing and improving the computing speed of each unit of information technology systems and data traffic between units of information technology systems and creating alignment unit and information technology systems with the company's strategic objectives.

This indicator is reflected by the highest of respondents 66.4% answered agree with avalue of mean 4.34 means that a manager actually has a good ability to create alignment unit and information technology systems with the company's strategic objectives. The result of survey findings showed that the higher the investment made by the company in the form of advanced technology, do not have a positive impact on performance improvement perusaahaan. This is because the human resources in the company is very slow in the adjustment of the latest information technology, thus inhibiting the performance of the company.

The findings and no significant negative correlation between investment against kinerja companies in this study, is not in line with the findings Sutawijaya and Zulfahmi (2014), which states that the high level of economic growth and sustainable is generally backed by an increase in exports and investment. Financial investments include shopping on RdanD Projects and innovations purchase or development elsewhere. Technology investments in the form of the purchase of the equipment and facilities infrastructure necessary foundation base for innovation (Thurow, 1992). Investments Human capital includes salaries, training and development, and other costs that affect the development of the capacity of staff and impact on the performance of the company (Tidd et al., 2005 in Ciptono, 2006) and the influence of the level of investment performance was also supported by research Ellitan (2010) and Kalkan et al. (2011).

4.7. The Influence of the Company's Performance on the Company Competitiveness

Company'sperformance and significant positive influence on power companies, showed the better managers have the ability to improve the performance of the company (sales growth, profitability,and efficiency), it will provide a positive and significant impact on the competitiveness of the company. Indicators of efficiency is an indicator of dominant variables that affect the performance of the company day asaing companies. Efficiency indicator reflects the ability of the manager to perform efficiency of the company, both human resources and raw material efficiency and operating efficiency good company and inovasi.Indikator information technology efficiency is reflected in the respondents' answers highs of 60% answered agree with avalue mean of 3.60 means that the actual the manager has a good ability in conducting the company's efficiency, both human resources and raw material efficiency. Overall mean that the higher the managerial capabilities, strategic planning, innovation, investment, and the company's performance, it will enhance the competitiveness of enterprises.

Porter (2003) suggested that national competitiveness is seen as a phenomenon related to macroeconomic variables, exchange rates, interest rates and government deficits. If competitiveness is directed by government policy (protection, promotion of imports and subsidies) akan mendorong an industry into a global advantage. The competitiveness of a country is the degree of the country in the conditions of a free market and its share can produce the goods and jasa yang meet the test of international markets simultaneously increase wilayah negaranya real opinion. Competitiveness at the national level based on the superior productivity performance.

The purpose of the competitive strategy is the achievement of a sustainable competitive advantage by improving the performance of the company. Competitive advantage can be achieved from implementing the strategy of value creation is not simultaneously but with the condition that the potential competitors (Barney, 1991). In connection between the influence of the company's performance on competitive advantage can be achieved when management capabilities and use the creation and implementing the strategy in order to hold the advantage of being much going impersonation, able to create resistance factor in the long term (Bharadwaj et al.,1993; Grant, 1991; Rumelt, 1984).

5. CONCLUSION

Based on the results, it can be concluded that the capability managerial influence on the competitiveness of companies through strategic planning, innovation, investment, and company performance. This may imply that the higher managerial ability, it can improve the competitiveness of companies through strategic planning, innovation, investment, and company performance.

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