

TRANSFORMATION OF PUBLIC TRANSPORTATION SYSTEM (Study on the Implementation of Applications-Based Lease Transfers)

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ABSTRACT

Transportation is a kind of public services. Transportation services provided by the government still have much deficiency and haven't considered the pattern of community movement. This opportunity is seen by the private sector that provides application-based transportation accessible whenever and wherever. The research is a qualitative study using a descriptive approach, data collection techniques used are literature review. The conclusions of this study is to use the six factors driving the unplanned change underlying the transformation of public transportation, (1) namely the shifting employee demographics, at this time work began to be influenced by technological developments; (2) performance gaps, there is a gap between the will of the people and the government; (3) government regulations, existence of fluctuation in making regulation; (4) global competition, demanding organizations more efficiently; (5) changing economic conditions, that the transport sector has an impact on the economy; and (6) advances in technology, had a role in the development of public transportation.

Keywords: Transformation, Public Transportation, Lease Specifically Transport

INTRODUCTION

Transportation is defined as the activity of moving goods and people from the place of origin to the destination. In this connection there are three things, namely, there is a load that is transported, available vehicles as a means of transport, and there are roads that can be traversed. The transportation process is the movement of the place of origin, from where the transportation activity starts, to the destination, where the transportation activity ends.¹⁹

Once upon a time, humans use very simple means of transportation, namely pikulan, carts pulled by buffalo/horses, canoes/rafts and boats. In an advanced economy, the means of transportation used are increasingly advanced, which can be in the form of bicycles, motorbikes, trucks, public transportation, pedicabs, and others. Along with technological advances, transportation is one of the fields that cannot be separated from human life, coupled with the high demands of

¹⁹ Nasution. *Manajemen Transportasi*. (Jakarta: Ghalia Indonesia. 1996) Hal: 50

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community mobility making transportation facilities increase. Business development in various fields, both in the fields of industry, agriculture, manufacturing, etc., requires adequate facilities and infrastructure to support the development of the business world itself. One of the facilities needed is transportation by land, air and sea.

In its development, transportation has undergone increasingly modern changes, such as in its management system, because in the present time the use of transportation such as transportation can not only be obtained at terminals, but can be enjoyed easily, how to order it using communication tools such as cell phones. Changes generally relate to the organizational environment or people's lives, for example the emergence of new ideas or innovations in the life of the community, the forces that lead to progress or improvement, because the existing conditions are not healthy or no longer fit the conditions of the community. Technological developments in the field of telecommunications and information continue to revolutionize the industry in the field of transportation services, for example taxis.

Increasing levels of community mobility make transportation companies carry out the latest innovations. Even though conventional taxis that were already able to be made easier by telephone or communication, this still makes other transportation companies do other innovations, namely by changing the management of transportation reservations that were previously done through telecommunications media, but now use applications called online transportation or in network (online). Management development, which includes the method of ordering and payment of transactions for transportation services. In the past, transportation service users ordered via telephone and then paid services in cash. Along with these developments, information and communication technology has a great influence on the global community as its users. These developments are driving conventional communication changes into modern communication with a digital lifestyle.

Some factors that contribute to driving change are the problem of demands for customer satisfaction with service quality, government policies, technological developments, and others.²⁰

Slowly but surely, there are improvements to public transportation facilities in several major cities in Indonesia. In 2004 the government began to improve public transportation, such as TransJakarta which is a Regional-Owned Enterprise (BUMD). Furthermore, city transportation (angkot), the government slowly began to plan by making regulations to improve security, comfort, and others for its people. However, public enthusiasm for online transportation services can be a reflection of the poor public transportation services managed by the government. Because, public transportation services by the government apparatus in the field of transportation are currently still lacking or even do not consider the movement pattern of the community so that they cannot meet the quality expected by the community. It is different with the private sector such as Go-jek, Uber, and Grab presenting online transportation, by providing application-based online services so that service users can access the service anytime and anywhere.

²⁰ Rahayu, Amy. *Manajemen Perubahan dan Inovasi*. (Jakarta: Universitas Indonesia. 2013) Hal: 1

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Online transportation has the most regional coverage, with the first being in Go-Jek with 50 cities in Indonesia, the second being 30 cities in Indonesia, while Grab is in the last position with approximately 9 cities in Indonesia.

As a city that leads to a metropolitan city, in Bandar Lampung City, the presence of online transportation has started operating since 2016. The first technology company providing online transportation services in Lampung which has been officially operating is, Timbel which stands for Trans Indonesia Mobile Lampung. In addition to Leadership, there are other online transports that are already operating, such as Go-jek, Grab, and Uber.

The amount of online transportation is very popular with its users both in terms of needs, services, quality and facilities presented. However, the presence of online transportation provides its own confusion, especially for the government. This service is able to absorb new workforce, but on the other hand it is also a threat to the existing workforce. This indirectly makes business competition implicated in labor issues, which are the future of conventional drivers in order to survive.

As a response to the dynamics that arise on these problems, the government began to regulate the existence of online transportation on November 1, 2017 into the Minister of Transportation Regulation Number 108 of 2017 concerning to "Penyelenggaraan Angkutan Orang dengan Kendaraan Bermotor Umum Tidak dalam Trayek." . However, the regulation still causes turmoil. Based on the description of the background above, the researcher is interested in studying the phenomenon regarding "Transformation of Public Transportation System (Study on the Implementation of Applications-Based Lease Transfers)".

FORMULATION OF THE PROBLEM

Based on the background of the above problems, the problem examined by the authors in this study are, how is the transformation of public transportation system in the implementation of application-based lease transfers?

RESEARCH PURPOSES

Based on the formulation of the problem above, the purpose of this research is to analyze how the condition of the transformation of the public transportation system in the implementation of application-based lease transfers.

BENEFITS OF RESEARCH

1. Theoretically, the results of this study can provide research contributions and the addition of knowledge in the study of Public Administration Science, especially in the field of organization.
2. Practically, the results of this study can be used as a reference or reference for researchers to add research sources for stakeholders, service users, online transportation business actors (Go-Jek, Grab and Uber), and related agencies.

LITERATURE REVIEW

Public Service

Gronroos²¹ defines service that is, service is an activity or series of activities that are invisible (non-palpable) that occur as a result of the interaction between consumers and employees or other things provided by service delivery companies intended to solve consumer problems/customer.

Based on the Decree of the Minister of Administrative Reform No. 63/KEP/M.PAN/7/2003 concerning General Guidelines for the Implementation of Public Services, classify three types of services from government agencies and BUMN/BUMD, namely administrative services, goods services, and services. Of the three types of public services above, online transportation is included in the service.

Transportation is needed to overcome the gap in distance and communication between the place of origin and destination. Then a transportation and communication system was developed, which consisted of means of accessibility (road infrastructure) and vehicles.

As written in the national transportation policy (Sitranas, 2005),²² the government formulates various strategies and efforts directed primarily to: (1) improving the quality of transportation services; (2) improve transportation safety and security; (3) improving the development of transportation entrepreneurs; (4) improve the quality of human resources, as well as science and technology; (5) improving maintenance and quality of the environment and saving energy use; (6) increase the provision of transportation development funds; and (7) improving the quality of state administration in the transportation sector.

Based on the description above, changes in online transportation services provided by private parties such as Gojek, Uber and Grab by improving the quality of transportation services, transportation safety and security, it is important to use the theory of New Public Management (NPM).

REVIEW OF NEW PUBLIC MANAGEMENT AND REINVENTING GOVERNMENT

New Public Management Concept

New Public Management (NPM) is a decentralized management system with new management tools such as controlling, benchmarking and lean management. NPM is understood as privatization as far as possible for government activities. NPM is generally seen as an approach in public administration that applies knowledge and experience gained in the world of business management and other disciplines to improve efficiency, effectiveness of public service performance in the modern bureaucracy.

In general, NPM is seen as an approach in public administration that applies knowledge and experience in the world of business management to improve the efficiency, effectiveness, and performance of public services in the modern bureaucracy. NPM is also a public management

²¹ Ratminto & Atik Septi Winarsih. *Manajemen Pelayanan*. (Yogyakarta: Pustaka Pelajar. 2005) Hal: 3

²² Adisasmita, Sakti Adji. *Transportasi Komprehensif dan Multi Moda*. Yogyakarta: Graha Ilmu. 2014) Hal: 27

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theory that adopts private management practices that are considered better, more efficient, and more productive.

The principle of the NPM according to Christopher Hood (1991)²³ consists of seven doctrines:

1. More focused on management, not policy.
2. There are clear standards and measurement of the performance achieved.
3. Greater emphasis on control over outputs, not procedures.
4. A shift towards greater levels of competition within the public service sector.
5. Emphasis on developing management patterns as practiced in the private sector to support improvements in public service performance.
6. There is a shift towards solving into smaller organizational units in the public service sector.
7. Greater emphasis on discipline and parsimony in resource use.

Reinventing Government Concept

Government entrepreneurship or reinventing government is a paradigm of a new government system that is driven by maximally generating more value with a spirit of creative, innovative and close orientation to customers (society), and repositioning public service providers as "Community Servants" through new approaches in order to achieve the stated goals so as to be able to meet the needs of an increasingly diverse society. It should be emphasized that reinventing government is not "capitalizing" the bureaucracy, but renewing the spirit of running the bureaucracy.

Furthermore, there are ten principles of entrepreneurship in government bureaucracy based on the original ideas of David Osborne and Ted Gaebler,²⁴ as follows: 1. Government Must Be Catalyst; 2. Community-Owned Government; 3. Competitive government; 4. Mission Oriented Government; 5. Results-Oriented Government; 6. Customer Oriented Government; 7. Self Employed Government; 8. Anticipatory Government; 9. Decentralization Government; and 10. Market-Oriented Governance.

Review of Transformation

According to Laseau, transformation is a process of gradual change so that it reaches the ultimate stage; changes are made by responding to the influence of external and internal elements that will direct changes from previously known forms through the process of repetitive duplication or folding double.²⁵

Caiden (1969),²⁶ underlines the concept of change as something irregular, including automatic, autonomous, and unpredictable (unforeseen), unknown when it ends (ceasless), is universal, anonymous, and cannot even be understood (inperceptible).

²³ Tresiana, Novita. Pengantar Ilmu Administrasi Publik. November 2015. Hal: 36

²⁴ Tresiana, Novita. 2015. *Op. cit.* Hal: 49

²⁵ <http://digilib.uinsby.ac.id/>. Accessed on December 16, 2017

²⁶ Rahayu, Amy. *Manajemen Perubahan dan Inovasi*. Jakarta: Universitas Indonesia. 2013) Hal: 2

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Based on some expert opinions above it can be concluded that, transformation is a process of change gradually so that at the ultimate stage, the concept of change as something irregular, among others, is automatic, autonomous, and unpredictable (unforeseen), unknown when it ends (ceasless), is universal, anonymous, and even inperceptible.

Furthermore, Greenberg and Baron,²⁷ explained that change can be a planned change or unplanned change, what is meant by planned change is an activity that is intended and intentional and designed to meet several organizational goals. Strengths in planned changes faced by the organization are listed as follows: changes in products or services, changes in organizational size and structure, changes in administrative systems, and the introduction of new technologies. Meanwhile, unplanned change or unplanned change is a shift in organizational activities because of the existence of external forces, which are different outside the control of the organization. Unplanned changes occur because of the following: shifts in worker's demographics, performance gaps, government regulations, global competition, changes in economic conditions, and advances in technology.

Review of Public Transportation

The meaning of transportation proposed by Nasution²⁸ is defined as the transfer of goods and people from the place of origin to the destination. So that with these activities there are three things, namely, the cargo carried the availability of vehicles as a means of transport, and the existence of roads that can be traversed. The process of moving from the movement of the place of origin, where the transport activity begins and to the destination where the activity is terminated. For this reason, with the transfer of goods and people, transportation is one sector that can support the economic sector and the service sector for economic development.

The services provided by transportation facilities are carried out as well as possible, thus the development of activities in other sectors will benefit as much as possible, so that production and productivity are achieved optimally.

Whereas, the definition of special rental transportation in the Minister of Transportation Regulation Number 108 of 2017 concerning to "Penyelenggaraan Angkutan Orang dengan Kendaraan Bermotor Umum Tidak dalam Trayek" that, online transportation or special rental transportation is door-to-door transportation services with drivers in the area of urban operations, and ordering using information technology-based applications.

RESEARCH METHODS

This study uses a descriptive method with a qualitative approach. The focus of this research is the unplanned drivers of change, namely shifting employee demographics, performance gaps, government regulations, global competition, changing economic conditions, and advances in technology.

²⁷ Wibowo. *Manajemen Perubahan*. (Jakarta: PT. Raja Grafindo Persada. 2011) Hal: 117

²⁸ Nasution. *Manajemen Transportasi*. (Jakarta: Ghalia Indonesia. 1996) Hal: 50

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Data collection is done through literature study, interviews, and documentation. Data analysis through three stages, namely data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

Shifting Employee Demographics

Demand for the needs of society is becoming increasingly varied as the development of technology, information and the taste of society as consumers.

The existing transportation system is intended to improve the service of population mobility and other resources that can support the occurrence of economic growth, and lead to a reduction in the concentration of work force that has expertise and skills, in addition to transportation to facilitate inter-regional trade activities.²⁹ Regarding labor, in the era of digital technology, employment challenges are increasingly dynamic and flexible. Systems and ways of working are constantly changing.

Many businesses develop their businesses by relying on technology in this digital era. One sector that affects the increase in the absorption of labor is the transportation and warehousing sectors. The existence of business people who see these opportunities by utilizing technology. It can be seen that the demand for public needs regarding public transportation has become more varied with the development of technology, information and the sense of society as consumers.

Performance Gaps

The performance gap can also mean that, there is a gap between what customers and stakeholders expect with what each process and subprocess is related to in terms of quality, time quantity, and service and product costs.

Discussing transportation problems that occur in Indonesia will not be endless, starting from congestion, poor conditions of public transport, and coupled with unfit transportation support infrastructure. These problems are what make the emergence of application-based transportation modes continue to mushroom in Indonesia and increasingly in demand by the public.

The Secretary General of the Indonesian Transportation Society (MTI) Soengeng Poernomo considered that, the presence of online taxi services, in fact the government had failed to provide transportation services for the community. In fact, preparing adequate transportation services is the duty of the government. However, this online transportation service is actually held by the community itself, through private companies such as Go-Jek, Grab, Uber, and so on.³⁰

Online transportation actually violates many laws or regulations, but on the other hand the public is more satisfied and comfortable with the online transportation. The government should be able

²⁹ <http://www.academia.edu/>. "Peran Pemerintah dalam Pengendalian Angkutan Umum Tidak dalam Trayek di Banjarnegara" Accessed on Februari 18, 2018

³⁰ <http://megapolitan.kompas.com> "Larangan Kesiangan Beroperasinya Ojek dan Taksi Online" Accessed on February 23, 2018

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to find a meeting point for the community in need of transportation, while its current presence of online transportation can be regulated without harming the online transportation company. It aims to avoid a gap between the wishes of the community and the government.

Government Regulations

The government is the party that holds and moves the wheels of government; in this case the government is of course the most authorized party in the creation of a change. The government composes the necessary regulations, with the aim that transformation process has legal regulations, and can be used as a basis for online transportation in service activities later.

Online transportation appears in the midst of a transportation system in Indonesia that is not yet well organized. Then, several large companies competed to form online application-based transportation companies, including Go-Jek, Grab and Uber.

The presence of online transportation has created social jealousy for conventional pre-existing transportation, both ojek, taxi, bus and so on.

To accommodate this type of transportation, a nomenclature is made in PM 108 of 2017. This means that the government legally recognizes the existence of transportation based on the application. Based on interviews conducted by researchers to Ms. Meriesa Jovanita Putri J. as Head of Facility Safety Guidance in the Department of Transportation of Lampung Province, data was obtained which explained the implementation of PM 108 2017 for the regions, which in its policy the Dinas Perhubungan Provinsi Lampung issued derivative from PM 108 of 2017 concerning "Penyelenggaraan Angkutan Orang dengan Kendaraan Bermotor Umum Tidak dalam Trayek" in the form of Governor Regulations planning, in which the regulation includes online transportation tariffs and quotas in Bandar Lampung City.

Global Competition

The existence of online transportation is considered to be a competitor of conventional transportation because it can reduce their income.

In early 2016, thousands of public transport drivers who felt their income had decreased due to the presence of online transportation services to demonstrate. However, towards the end of 2016, conventional taxi companies that were previously opposed to online transportation services, were changing attitudes. They finally looked at online transportation services as an opportunity, and collaborated with them.

Global competition requires businesses to be more efficient and able to produce transportation services that are cheaper, safer, more convenient, practical, and accessible anywhere

Changing Economic Conditions

In the development of transportation can have a considerable impact on the Indonesian economy. Because economic growth can be supported by sectors that are now increasingly developing in employment. Following this, the researcher explained about the data of economic growth in Indonesia, in 2015 the number of economic growth in Indonesia reached 4.79%. Whereas in 2016

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and 2017 the number of economic growth in Indonesia reached 5.02% for 2016 and 5.10% for 2017.³¹

As a populist economy-based business, providing a broad opportunity for the public to become drivers of online transportation with more efficient working hours is indeed one of the steps to accelerate the right economic growth.

Advances in Technology

Based on a survey conducted by Asosiasi Penyelenggara Jaringan Internet Indonesia (APJII), data was obtained that more than half of Indonesia's population is now connected to the internet. The survey conducted throughout 2016 found that 132.7 million Indonesians were connected to the internet. The total population of Indonesia alone is 256.2 million. This indicates a 51.8 percent increase compared to the number of internet users in 2014. The survey conducted by APJII in 2014 had only 88 million internet users.³²

The presence of internet technology facilitates the work of Indonesian people in many ways without exception travel mobility. The existence of online transportation is also felt by the community to be very helpful in supporting activities. The services provided are also not limited to just dropping off passengers but can also be used for shipping services, food delivery, or even shopping. The order process is relatively easy. Only use a smartphone connected to the internet which most people already have.³³

CONCLUSIONS AND SUGGESTIONS

CONCLUSIONS

1. Shifting employee demographics, the presence of online transportation is a transportation that is in accordance with the wishes of the community, because at present, people's lives are shifting from the traditional, backward, and irrational society into a modern, advanced and rational society based on lifestyle changes and community mobilization in transportation.
2. Performance gaps, the gap between the users of public transportation and those provided by the government has not been in accordance with the wishes of the community. It is seen that there are problems related to public transportation ranging from congestion, poor public transport conditions, to unfit transportation support infrastructure. This, which makes the emergence of application-based modes of transportation that have more practical, easy-to-reach, safe and inexpensive services are increasingly and increasingly in demand by the public.
3. Government regulation, the government has responded to the dynamics that arise as a result of online transportation by revising several regulations regarding special rental transportation

³¹ <https://ekonomi.kompas.com/>. "BI Pertumbuhan Ekonomi Indonesia 51 persen-di Tahun 2017" Accessed on March 22, 2018

³² <http://tekno.kompas.com>. "Pengguna Internet di Indonesia Capai 132 Juta" Accessed on February 28, 2018

³³ <http://etd.repository.ugm.ac.id>, Accessed on February 3, 2018

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into PM Number 108 of 2017 concerning to “Penyelenggaraan Angkutan Orang dengan Kendaraan Bermotor Umum Tidak dalam Trayek”, but after this regulation is passed still occurs fluctuation.

4. Global competition, the existence of online transportation is considered to be a competitor of conventional transportation that can reduce their income. However, the existence of online transportation is an answer to the desire of people who are more considering the pattern of community movements.
5. Changing the economic conditions, the rate of economic growth in Indonesia is increasing year by year, due to the rapid technological development in Indonesia which causes people to switch to the digital era, almost all economic sectors are competing to change their service patterns and add online facilities to provide services.
6. Advances in technology, with the presence of online transportation that can facilitate community mobility by accessing through an online transportation application, such as people living in areas that are difficult to reach by conventional transportation can take advantage of technology changes in terms of ordering.

SUGGESTIONS

1. Recommend that the Government (Ministry of Transportation) conduct studies or research related to public transportation, so that more responsive to public transportation that is needed by the community at this time, in terms of security, comfort, can be accessed anywhere and anytime.
2. The government through the Ministry of Transportation as a regulator must improve regulations regarding the existence of online transportation by cooperating with all stakeholders to formulate a rule or policy that is in favor of the community. This must be done because so far it has been assessed that the regulation is detrimental to drivers or drivers of online transportation.
3. Conventional transport providers should increase innovation to survive in the competition of the transportation business by providing many service options for users of public transportation.
4. People who use application-based special rental transportation should increase their awareness in utilizing technology by increasing knowledge of public transportation applications.

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