Adaptability in Communication Technology in Increasing Performance of Conventional Taxi Companies

Dewi Setyarini and Charisma Fitri Hapsari

Faculty Lecturer Knowledge Communication, Jayabaya University, Indonesia
Department Alumni Management, Institute Bogor Agriculture, Indonesia

Corresponding Author: Dewi Setyarini, E-mail: budewisetyarini@gmail.com

ABSTRACT

Internal factors and external factors influence performance. Collapse industry taxis in Indonesia seen from drop drastic total company taxis, namely 35 companies in 2014 and the remaining only four companies in 2016 were one consequence of the decline in the performance of several company taxis conventional form factor external. There has been disruption with the present company transportation based on App that appears to spread globalization in life public including in organization. However, because the emergence of application-based transportation companies as external factors is difficult to avoid, established taxi companies need to make organizational efforts internally to improve company performance through communication organization. Communication organization is essential for a company on various scales to maintain employees, take care stability company, and grow the business, so connection good Among leaders and employees needs building. Something organization will bring meaningful existence similar vision and mission to which direction the organization that. Without the presence of vision, mission, and goals through communication, a solid and reasonable organization are impossible for the organization to keep going, develop, adapt, and perform well. But with vision communication trustworthy organization, existence development technology very open communication opportunity for the organization for doing change or shift in the world of disruption along with the development of the times.

KEYWORDS

Adaptation, Disruption, Company Performance, Communication Organization, Technology Communication

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1. Introduction

The taxi industry was once an industry that was able to monopolize the public transportation industry because taxi companies had the freedom to set fares. However, the calculation of fair determination by taxi companies is also due to regulatory demands from the government. Various analyses in imposing tariffs are faced by taxi companies, such as calculating motor vehicle taxes each year, vehicle and engine maintenance costs, corporate taxes, inflation estimates, taxi pool rental fees, office rental fees, kir test fees per six months, labor costs (employees and drivers), as well as licensing and administrative costs. This calculation is then charged to consumers with the tariffs to be paid. Indirectly, the fare paid by consumers will be used by taxi companies to cover operational costs.

The number of operational costs and expenses that must be covered makes the rates set by taxi companies very high. So gradually, the high tariffs for taxi companies set to cover all operational costs make the company inefficient. The high tariffs charged to consumers cause more and more taxi companies in Indonesia to decrease. They are coupled with the emergence of application-based transportation companies that are more efficient and able to overcome the problem of high conventional taxi fares by offering cheaper fares with the same quality. In 2014, there were 35 taxi companies still operating, both those that had gone public and those that had not yet gone public. However, in 2016, when application-based transportation companies entered, 31 established taxi companies had to close their companies. The four registered taxis still operating mainly in the Jakarta area are taxi
companies Blue Bird, Express, Gamya, and Taxiku. Four remaining companies faced with an obligation to meet appearance company transportation based on application as a factor external with approach internally one of them with do efforts managerial at di in organization for increase performance company, one of them through communication organization.

The development of technology applied communication in business transportation appears to be a consequence of spreading globalization in public life, including in organizations. Utilizing technology communication inactivity operational organization could significantly influence for a development organization alone. This can be seen in efficiency work, culture work, and others. Even utilization of technology information can push the company's efficiency level and upgrade the performance company as a whole, like a case appearance company transportation based on applications that can fast dominate passenger market share taxi in Indonesia. For company taxi, conventional, disruptive, or entry company transportation based on application no could be avoided because is factor external. For company taxi conventional ones that still and want to endure dominant taxi market share in Indonesia, then need to approach the organization internally with do adaptation and change whose policies need to use communication organization between management and employees in the company for equalizing perception and purpose will where is the organization going? The aim For that's something change then Becomes something essential and mandatory for done.

Organizations need to change because of the development of the times. Existence changing times, of course, give challenges new for the company. With the presence of the story of the era, of course, all something the increase from a condition previously and enhancement market demand, change politics, economy, technology. Appearance competitors who offer something more worth will make company taxi conventional must do steps change for doing shifting Becomes company transportation based on application or build cooperation with company transportation based on application. The internal organization must be given an approach that will be brought to which direction of the organization’s future very clearly. Is the organization will stay in its position and situation moment this and erode or accept the presence of disruption from company transportation based on application, or is the organization deciding to change and adapt with the present company transportation based on application.

So as not to occur resistance within the company, then through an internal approach in the organization needed, remember communication organization Becomes the key so that leaders and employees have the same vision, mission, and goals to reach the desired result. The organization must have comprehensive abilities to communicate with the internal environment, stakeholders, and public comprehensive. Without the existence of good communication, organization impossible for the organization to keep going, develop, adapt, and perform fine. Moreover, capable follow disruption. But with vision, mission, and goals through solid communication organization, the development of technology communication is a very open opportunity for the organization to do change or shift in the world of disruption and the development of the times.

2. Literature Review

Today's organization is different far from the existing organization before. This thing caused the existence of progress in technical communication. Although there is a difference between technologists Among organizations, according to Barnard (1938), technology communication could define as "a" system activity or strength of two people or more, coordinated by awareness. "Communication used to 'coordinate' activities in an organization. (Pace & Faules, 2000). Technology communication new could enhance, expand, complete or relate with communication media found traditional in the organization. This could create a possible transformation of the communication process in the organization. This shows that technological communication new could result in existing changes, such as being more efficient, more productive, or more responsive.

Utilizing technology in operational activity will give enough impact, significant, isn't it only from efficiency work, but also to culture work good personally, between units, and by the whole institution. As Ruliana pointed out, the utilization of technology information classified Becomes three categories, namely:

1. Repair efficiency. This is applied at the operational level, measured with drop processing time and costs.
2. Repair effectiveness. This is applied at the managerial level organization, measured with convenience and speed to obtain the status of achieving organizational targets.
3. Strategic Improvement. Repair power is competitively applied at the executive level organization, measured with convenience and accuracy in executives' decision-making (Ruliana, 2016).

Most theories used to see how far is the role of technology information in an organization is with using the five categories that Mark cited by Ruliana (2016) in the table following:
Table 1. The role of information technology in organizations

<table>
<thead>
<tr>
<th>System Types</th>
<th>System Function</th>
<th>Key Design Feature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational</td>
<td>The structure work</td>
<td>Work rationalization</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Work routinization</td>
</tr>
<tr>
<td>Monitoring and control</td>
<td>To evaluate performance and motivate people</td>
<td>Standards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Measures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evaluation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Feedback</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reward</td>
</tr>
<tr>
<td>Planning and decision</td>
<td>To support intellectual process</td>
<td>Models</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Data analysis and presentation</td>
</tr>
<tr>
<td>Communication</td>
<td>To argument human communication</td>
<td>Communication or mediation of inter organization transaction</td>
</tr>
<tr>
<td>Inter organizational</td>
<td>To facilitate inter organizational transaction</td>
<td>Structuring or mediation of inter organizational transaction</td>
</tr>
</tbody>
</table>

Sumber: Ruliana (2016)

The table shows that functions operational, monitoring and control, interact effectively with leadership, function planning, and decision, which are part of function planning or development corporate. Following function Communication in the era of modern organizations where technology information placed position as means or individual media organization in communicating, collaborate, cooperate and interact. On function inter-organizational, is enough role unique, because fueled by passion forced globalization _ company for collaborating or weave partnership with amount organization (Rulianan, 2016).

In context, this could show that the successful adaptation of something organization because existence interaction effective with the leaders organization related. Existence planning and/ or development corporate as function strategic because technology information placed position as internal media tools good communication _ internally and _ external, of course just thing this by vision and mission organization that alone. This thing in life could increase or lower the performance of employees. Next, an organization has a spirit of globalization that can force a company to collaborate or weave partnerships with another organization. Sure, this must be by vision and mission organization alone, besides that need existence regulation from external.

Produced product _ technology in organization more leaning to product service, where product service the Becomes facility from the technology applied by the organization.

There is always a different ending in facing a competitive fight for each player. Appearance smartphone to be Suite incident disruption. More innovative beat, even replace the former, as stated by Kasali (2017), there are changes in the world of transportation. The moment the phenomenal black cab taxi in London, or the Blue Bird in Jakarta, fight against Uber or Grab, it happens commotion between 2014-2016 globally and evenly.

3. Methodology
The study adopted the descriptive and qualitative method for discussing the adaptability of technology communication as an answer enhancement performance of company taxi conventional.

This study uses secondary data sources in the form of financial statements, both qualitatively and quantitatively. Other secondary data were obtained from sources written in the study of libraries, journals, scientific literature, books, and related literature that support research and tracking online. Taxi company financial report data source obtained from downloading files available at www.IDX.co.id (Indonesian Stock Exchange), namely the attachments to the financial statements and annual reports of PT Blue Bird Tbk and PT Express Trasindo Utama Tbk in 2013-2018.

Data analysis follows the interactive analysis model, consisting of three component trees: data reduction, data presentation, and retrieval conclusion with the verification.

4. Results and Discussion
4.1 Taxi Industry Consumer Shift
Application-based transportation companies have a competitive advantage compared to conventional taxi companies, where application-based transportation companies offer the same quality at a lower price level for consumers. Survey company GfK Asia released data on the reasons why people choose to use application-based transportation (Figure 1).
Based on the data above, it shows that 61% of survey respondents use application-based transportation services because of the price factor, namely the cost (value for money) and efficiency and 58% for reasons of convenience and comfort. Indirectly, consumers who use transportation services perceive that application-based transportation is more efficient in various aspects. Thus, taxi companies need to improve services, improve quality, innovate, and compete in terms of price as a response to competition with application-based transportation.

### 4.2 Sharing Economy vs Owning Economy

The current technological advances encourage both goods and service companies to implement technology-based business processes to compete with other similar companies that already dominate the market. One of the phenomena of using technology to penetrate the transportation industry in Indonesia is implemented by several start-up companies with a sharing economy business model through the ride-sharing system, which is a fundamental difference from established transportation companies. The sharing economy is a phenomenon of utilizing unused personal assets or a low level of use for more productive resources (Wallsten, 2015). Compared to the old business model, namely the owning economy system where companies own and control their assets that require high capital, the sharing economy is considered a more efficient system.

In the owning economy system implemented by established taxi companies, there are various calculations in setting tariffs faced by established taxi companies, such as calculating motor vehicle taxes each year, vehicle and engine maintenance costs, corporate taxes, inflation estimates, taxi pool rental fees. Office fees, kir test fees per six months, labor costs (employees and drivers), and licensing and administrative costs. In contrast to the sharing economy system through ride-sharing implemented by application-based transportation companies. Application-based transportation companies have a high level of efficiency with a high level of profitability because the profits derived from assets, equity, and liabilities are pure profits for the company after deducting profit sharing for drivers. The difference in the system applied by the two types of companies causes the tariffs to be set differently. With the sharing economy system, application-based transportation companies can set fares below established taxi companies and provide discounted prices, so application-based transportation companies’ rates are very cheap. These very low fares are then indicated as predatory pricing by application-based transportation. So many parties argue that there is a need for regulation from the government to protect the existence of established taxi companies.

### 4.3 Conventional Taxi Company Tariff Determination and Regulations Application-Based Application-Based Tariff Setting for Transportation Companies

The competition between application-based transportation companies and established taxi companies encourages the government as a regulator to make regulations to create healthy competition. Whereas of July 1, 2017, the Ministry of Transportation has streamlined the new tariffs for application-based transportation. The lower limit tariff and upper limit tariff for application-based transportation refer to the Regulation of the Minister of Transportation Number 26 of 2017. So that currently, the tariffs set for application-based transportation companies are not much different from traditional taxi companies because application-based transportation companies in Indonesia are no longer allowed to install application-based transportation services. Far cheaper rates than taxi companies fare to keep the fare balance. The rates set by application-based companies and conventional taxi companies can be seen in Table 2.
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Table 2. Application Based Company and Conventional Taxi Company Rates (per kilometer)

<table>
<thead>
<tr>
<th>Company</th>
<th>Door Opening Rates</th>
<th>Fares per kilometer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Bird</td>
<td>IDR 6,500</td>
<td>IDR 4,100</td>
</tr>
<tr>
<td>Express</td>
<td>IDR 6,500</td>
<td>IDR 3,800</td>
</tr>
<tr>
<td>Go-Car</td>
<td>There is not any</td>
<td>IDR 3,500 (more than 2.85 km)</td>
</tr>
<tr>
<td>Grab-Car</td>
<td>There is not any</td>
<td>IDR 4,000</td>
</tr>
<tr>
<td>Uber X</td>
<td>IDR 3,000</td>
<td>IDR 2,000 and IDR 300/minute</td>
</tr>
</tbody>
</table>

Source: Coil (2017)

Based on the information available in Table 2, the fare per kilometer set by Blue Bird is IDR 4,100 and is above the lower limit fare for conventional taxis, which is IDR 3,500. Blue Bird’s per-kilometer fare is also higher than the three application-based transportation companies and the Express taxi company. Meanwhile, Express sets a tariff per kilometer of IDR 3,800, which is also above the lower limit rate for conventional taxis and higher than Grab-Car. Still, Express imposes a tax per kilometer below the rate per kilometer for Go-Car and Uber X. This is not the difference in the two companies’ profitability. Blue Bird, with a higher rate, actually generates positive profits. Meanwhile, Express, with lower fares, cannot create positive gains.

Adjusting the lower and upper limit rates for application-based transportation companies is expected to create healthy competition for taxi and application-based transportation companies. In addition, this regulation can prevent predatory pricing by application-based transportation if the tariff is too low. However, applying lower and upper limit tariffs for application-based transportation companies does not necessarily positively impact taxi companies, especially Express taxi companies (Table 3).

Table 3. Financial Condition of Blue Bird and Express taxi companies (in billion rupiah)

<table>
<thead>
<tr>
<th>Account</th>
<th>Blue Bird</th>
<th></th>
<th></th>
<th>Express</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mar’17</td>
<td>June’17</td>
<td>Sep’17</td>
<td>Mar’17</td>
<td>June’17</td>
<td>Sep’17</td>
</tr>
<tr>
<td>Income</td>
<td>1.040</td>
<td>1.042</td>
<td>1.049</td>
<td>78.3</td>
<td>80.4</td>
<td>72.9</td>
</tr>
<tr>
<td>Net profit</td>
<td>118</td>
<td>76</td>
<td>110</td>
<td>-58.6</td>
<td>-74.7</td>
<td>-77.2</td>
</tr>
<tr>
<td>Burden</td>
<td>922</td>
<td>966</td>
<td>939</td>
<td>137</td>
<td>155</td>
<td>150</td>
</tr>
</tbody>
</table>

Source: Blue Bird and Express financial reports, processed data (2017)

Based on the data in Table 3, it can be seen that Blue Bird is superior to Express. Blue Bird’s revenue increases every quarter, despite decreasing net profit from March 2017 to June 2017. However, in September 2017, there was an increase in net profit of Rp. 34 billion, which was allegedly due to the entry into force of tariff regulations for application-based transportation as of July 1, 2017, caused The competition in the transportation industry in Indonesia is becoming healthier and more competitive. However, this is not the case with Express taxi companies. Although revenue in June 2017 had increased, revenue after the enactment of tariff regulations for application-based transportation as of July 1, 2017, actually decreased. In addition, Express’s net profit every quarter was also getting negative for 3 quarters in 2017. The negative net profit experienced by Express indicates that consumers are less interested in using Express as a mode of transportation or that the production process of Express companies is not efficient. Thus, the implemented regulations initially to protect established taxi companies were not wholly effective. The profitability of Express continues to decline, even though Blue Bird’s profitability is slowly improving. According to Sadikin (2005), the increase in material and labor costs can be responded to by increasing efficiency and productivity to reduce operational costs.

4.4 The Difference in Efficiency of Two Convection Taxi Companies

Based on Table 3, it can be identified that Blue Bird is more efficient than Express. Blue Bird was able to generate positive net income and generate income that could cover the expenses that needed to be paid. Meanwhile, Express is deemed not efficient enough in running its business because it has a higher cost burden compared to the income generated, which then hurts the net profit generated.
thought to be due to Blue taxi companies in Indonesia to be able to adapt and no onent urgent in a growth company; s have enough to amely application nce -pared in the various scale for maintaining employees don't again interested in

Effective internal communication between employees to avoid the emergence of “office politics” which can hinder the smoothness of tariff regulations for application-based transportation as of July 1, 2017, although total assets owned decreased. The increase in revenue and net profit despite the declining total assets as the most crucial element for established taxi companies are thought to be due to Blue Bird being more effective and efficient in managing its business. It can also be seen that Blue Bird's total liabilities have decreased, and Blue Bird's total equity has increased. Blue Bird's total assets are funded mainly by own equity or equity compared to external funding or debt. On the other hand, Express, which continues to experience a decline in revenue and net profit since the issuance of tariff regulations for application-based transportation as of July 1, 2017, also experienced a decrease in total assets and total equity owned Express' total liabilities increased. Express's total assets are funded mainly by external funding compared to its equity. For established taxi companies, the role of support, both current and fixed assets, is significant. Even though total assets are decreasing, if taxi companies can manage their business more efficiently, revenue and net profit will increase.

4.5 Respond to Competition by Adapting

The emergence of companies that only provide platforms and implement a ride-sharing system encourages established transportation companies, especially taxi companies, to respond to this competition. The emergence of application-based transportation companies has encouraged the two largest conventional taxi companies in Indonesia to be able to adapt and no longer be fixated on their business processes, namely the owning economy. One thing those taxi companies can do to increase and return their old customers is to collaborate with their competitors, namely application-based transportation companies that will positively impact the continuity of the conventional taxi business. This is because the number of consumers in the taxi industry has not increased even though the fare set by the application-based transportation company is cheaper. It’s just that there is a shift in consumers in the taxi industry, namely those who previously used the services of conventional taxi companies, now prefer to use the services of application-based taxi companies.

Based on the two taxi companies' efficiency information, it can be seen that Blue Bird is more efficient than Express. With the same system, namely the owning economy, Blue Bird is more efficient than Express. The fundamental difference that can explain the difference in the performance of the two conventional taxi companies can be seen in terms of the assets of the two companies owned and the differences in the application of technology cooperation between the two companies. Blue Bird has high assets, so to reduce non-productivity, Blue Bird has begun adapting and collaborating with Go-Jek since February 1, 2017. Thus, it is essential for taxi companies that are still operating in Indonesia, especially PT Express Trasindo Utama Tbk. to optimize company efficiency. In addition, Blue Bird also cooperates with Go-Jek, where Blue Bird enters Go-Jek's platform to find consumers as Blue Bird's efforts to reduce costs. Meanwhile, Express suffered a loss in the form of negative profits because Express was not efficient enough to generate positive profits.

This shows that in organization, development technology communication in the world of transportation already is something must because without existence change, or shifting follows development technology. Organizations the no will capable last long and will with easy knocked down and displaced by organizations capable of adapting in a world of disruption moment this. We need to change too vision and mission organization to see far forward in accordance development of the times. Thereby, Blue Bird decides to do the shift and optimize technology communication by building Blue Bird's application alone and working the same with Go-Jek via Go-Blue Bird features for get passengers through the Go-Jek application. Bluebird is an organization capable of seeing potency bankruptcy if no one takes the step to cooperate with Go - Jek. Without change or shifting, Blue Bird will also be lucky same as company taxi conventional other roll _ mat because run out of funds from investors who don't again interested in embed the stock because no again Becomes profitable company. _ For that's need guard stability company and grow business through shifting.

This show that Communication organization is very important for the company on the various scale for maintaining employees taking care of the stability company, and growing the business, so a connection good Among leaders and employees need to be built. Employees are not only nuts and bolts in business, but permanent becomes a component urgent in a growth company; Effective internal communication between employees to avoid the emergence of “office politics” which can hinder the smoothness
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the way organization company. Things that don’t lose urgent communication are also necessarily built, including with the government.

The government itself encourages collaboration between conventional taxi companies and application-based transportation companies. The collaboration between the two companies is expected to combine the advantages of each company. Application-based transportation companies that excel in terms of innovation are expected to increase the efficiency of conventional taxi companies. Likewise, conventional taxi companies have an advantage in terms of experience in controlling the transportation market share in Indonesia, which can help application-based transportation companies to enlarge their market coverage by increasing their fleet from conventional taxi companies so that this collaboration will benefit both parties as well as consumers and improve the quality of service for both companies.

However, collaboration external no will be achieved without the existence of internal collaboration first; before doing collaboration external with company transportation based on the app, company taxi conventional more formerly must do collaboration internally that can conduct with define and move internally in the organization through similarity vision, mission and goals with communication solid and good organization. So that destination collaborates with external whole informed internally and move internally to one the same goal as Blue Bird can make adaptation with build platform alone and establish cooperation with Go-Jek via Go-Bluebird. Features no miss from internal collaboration through communication established organization that has the same vision, mission and goals that are for survive and stay dominate taxi market share in Indonesia.

5. Conclusion
Without the existence vision, mission and goals through communication solid and good organization, the presence of technology communication in the world of transportation will not be helpful, even on a company scale small. But with vision, mission and goals through communication and solid and good organization, the existence of development technology, communication, and transportation allow for some change and development over time.

The fact in the field is that the emergence of application-based transportation is the beginning of the decline of the taxi industry in Indonesia. Predictions or forecasts of changes in the market share of conventional taxi companies are thought to be caused by the shift of consumers to application-based transportation companies that are cheaper and more efficient. In the future, application-based transportation companies will still dominate the market share of the non-route transportation industry in Indonesia.

The difference in the system applied by the two types of companies then causes the tariffs to be set differently. The sharing economy system is a more efficient system so that application-based transportation company fares can be set cheaper than conventional taxi companies. These low fares are then indicated to lead to predatory pricing by application-based transportation. Thus, the Indonesian government takes part in ensuring that competition remains fair for all companies by issuing regulations for setting lower and upper limits for application-based transportation companies. However, in reality, the regulation still benefits only a few parties, namely application-based transportation companies and Blue Bird taxi companies. Meanwhile, Express is still losing money. In addition, application-based transportation company tariffs are even more profitable for application-based transportation companies because the profit margins are actually getting bigger due to the increase in tariffs based on regulations. The tariff setting between Blue Bird and Express is also not the reason for the difference in the company’s profitability. It is evident that Blue Bird, which charges higher rates than Express, is able to generate positive profits, while Express, which sets rates below Blue Bird, is unable to generate positive profits.

Performance is influenced by internal factors and external factors. However, because the emergence of application-based transportation companies as external factors is difficult to avoid, conventional taxi companies need to make managerial efforts to improve company efficiency. Blue Bird itself has proven to be more efficient than Express. One thing that the two largest taxi companies in Indonesia can do that has been implemented by Express is by adapting and establishing cooperation or collaboration. Blue Bird was able to take the opportunity to collaborate with an application-based transportation company, Go-Jek, on February 1, 2017. Blue Bird can access the technology implemented by Go-Jek without the need to spend additional funds and has had a platform itself so that operationally Blue Bird is more efficient and continues to be able to increase the company’s revenue and net profit. Although Express had collaborated with Uber, the collaboration did not last long because the collaboration did not have a positive impact on Express. So, Express feels the need to adapt and apply technology to streamline business processes or establish cooperation and collaboration with application-based transportation companies that can benefit Express and be able to attract consumers back.

Sake of achieving effective and efficient collaboration no miss from collaboration built internally through communication organization good by the leader organization, employees and stakeholders. Before doing collaboration external with company
transportation based on the app, company taxi conventional more formerly must do collaboration internally that can conduct with set and move source power internal. So that destination collaborates with external whole informed internally and move internally to one the same goal. As Blue Bird can make adaptations through technology communication with build platform alone and establishing cooperation with Go-Jek via Go-Bluebird features no miss from internal collaboration through communication established organization that has _ the same vision, mission and goals that are for survive and stay dominate taxi market share in Indonesia.

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