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TIME SUBMITTED	21-AUG-2019 05:25AM (UTC+0700)	CHARACTER COUNT	18271
SUBMISSION ID	1161830896		

The Taxi Driver's Income in Makassar: the Number of Transport Trips and the Working Hour Pattern

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Accepted 2017-09-15; Published 2017-10-21

Abstract:

This research aimed investigating to what extent either the direct or indirect effect of the number of the transport trips on the taxi driver's income, through working hour pattern. The research used both the primary and secondary data. The primary data were obtained through questionnaire to as many as 200 taxi drivers in Makassar as samples. The secondary data were obtained from the Transportation Office, Makassar namely how many taxis were in operation in Makassar. The data were analysed using the Simultaneous Equation Model (SEM). The research result indicates that: (1) the number of the transport trips has the negative and significant effect on the taxi driver's income. (2) the number of the transport trips has the positive and significant on the working hour pattern. (3) the working hour pattern does not have the significant effect on the taxi driver's income

Keywords: Number of transport trips, working hour pattern, taxi driver's income

Introduction:

The taxi drivers profession is one of the unique jobs. This profession does not need to have special education as well as many other professions such as teachers, doctors, pilots and others. This job accommodates enough workers and fast because there is no special education requirement, thus can be one solution to reduce unemployment. Some studies say that taxi drivers are jobs that have a different fate in every day. Their income always varies every day where sometimes it is not

sufficient for their life. Many taxi drivers consider that his job is a transit job (temporary). They will move to another job when they get the job done. However, this work is needed for the necessities of life [1]. Humans must work as a basic activity and become an essential part of human life. It is for personal needs and forms of family responsibilities, employment status, and binding to other individuals and communities, incentives to work in facilities and money [2].

The profession of taxi drivers is often regarded as a transit profession but it is possible that after the research can be obtained the result that this profession can be a permanent profession. Another thing that makes this profession interesting to investigate for moving the economy of a region, where this profession will increase employment opportunities for the community. This can be seen by the number of taxis in Makassar. Data obtained from Makassar's communications department in 2016 that there are 15 taxi companies with a total of 2836 taxi fleets operating, and every year there is an increase.

This profession accommodates a fast workforce because there is no special education as a condition of work. Companies are more considering driving skills and have a driver's license. So the educational background is not so noticed in this profession. This is different from other professions where most have educational standards for work requirements.

Taxi drivers as workers in the field are very dependent on the number of shuttles. In one day, there is a minimum deposit target to the company and if there is excess income then the money is taken home, If not reach the minimum target of deposit then it must be covered the next day. Many factors that affect the number of trips transport one of them is the credibility of the taxi company in service to passengers, so that passengers do not hesitate to use the services of taxi companies. If the service is satisfactory sometimes passengers add additional payment of tips to taxi drivers [3].

Overall, this research aims to determine how much influence the number of transport trips to the taxi driver's income either directly or indirectly through the pattern of working hours in Makassar. It is expected to be useful as an input for workers, whether this work is not at risk for the life of taxi drivers. In addition, this research will also be useful as an evaluation for taxi companies because this variable is the main variable for the continuity of taxi companies. This research is also useful for the government in efforts to reduce unemployment.

Literature Review:

2.1. The number of transport trips on the taxi driver's income:

The purpose of people working to get satisfaction, fulfillment needs, and others. The taxi driver's profession in one day has an uncertain income.

Taxi drivers' income is different from most other professions where many professions have fixed incomes in one month as stated by [4] that salaries are generally a payment for the service provided to employees and are paid monthly.

While the more consumers the income will increase, in research conducted [5] on traditional food craftsmen. Increased public interest directly impact on the increasing income of traditional food pengerajin. In relation to this study, the more number of transport trips the taxi driver's income increases.

Many things are causing increased trip transport. In research [3] about Cab Driver (taxi drivers) that one that led to taxi companies have many consumers because it has good credibility. Good credibility built to make passengers do not hesitate to use the services of the taxi company. Good credibility will also make the trip will feel safe and comfortable on the way.

Research conducted [6] which takes the population and sample taxi service users from various backgrounds and nationalities in Doha. Samples are intended for direct and correct comments, as well as for service evaluation. From the research results required by the passenger is very needed effective service. Conditions that occur where passengers feel that the slow service of taxis because taxi stations are far to access, and the unavailability of the fleet at the station at any time so that passengers have to wait. This will lower taxi users.

The number of transport trips and working hour pattern on taxi driver's income:

Some studies say that taxi drivers are jobs that have a different fate in each day that is related to money under home always varies where sometimes more and sometimes less. Most taxi drivers consider that his job is a transit job (temporary) to the next job that is considered appropriate, mainly in terms of wages. But it is better to be a taxi driver rather than not working so this job can be a stepping stone to a job that is considered appropriate. The observation of the researcher that this profession mostly is a young age worker who sometime when getting a better job they will leave their job [1].

Related variable of number of trip transport (consumer) and variable of work hour pattern to taxi driver earnings. [7] research at PT Glory Packindo, the number of product requests makes the company add employees hours to meet the

demand. With the increase of working hours (overtime) then the income of employees will increase. The wages received per different worker are based on how long the worker has worked in the company. It is intended that workers remain loyal to the company because the salary of the workers will rise as long as they have worked in the company.

Conceptual Framework and Hypotheses:

Taxi drivers as workers in the field are very dependent on the number of passengers. One that leads to the number of passengers is the credibility of a good company so passengers do not hesitate to use the services of taxi companies. In using the taxi service, passengers can by phone or wait in certain places.

Consumers are individuals or groups who have an urgent role for the company. Consumers have access to the existence of products or services in the market so that all activities of the company will be strived to be able to position the product or service to be accepted by consumers. Existence of heterogeneous needs then become the basis for consumers to perform the selection action on the availability of various product alternatives. Consumer action itself is a reflection of a series of stages of purchase where the implications for its actions will lead to an assessment that the product can be accepted by the market. This will have an impact on the increase in consumers and also impact on increasing revenue. Associated with research means that the more the number of trips transport the taxi driver's income will increase [8]. Besides that with the research [3] which states that the number of product requests make the company add employees hours to meet demand. With the increase of working hours (overtime) then the income of employees will increase. This shows that the number of trips transport with the pattern of working hours have an indirect positive effect on income

Simultaneous models and hypotheses in this study can be seen in Figure 1. Here, the number of transport trips is positioned as an exogenous variable. While working hours pattern as the endogenous variable of intervention. Finally, the endogenous variable that is also the target of research is the taxi driver's income.

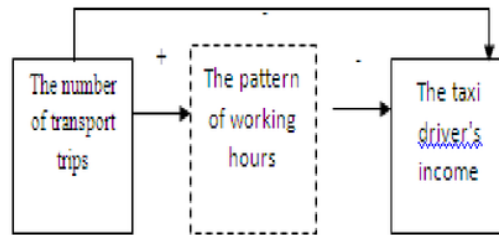


Figure 1. Conceptual framework

Methodology:

This research uses two types of data. The primary data was obtained through questionnaires distributed to 200 Makassar people working as taxi drivers. The secondary data obtained from South Sulawesi Transportation Department is the number of taxi fleets operating in Makassar. The method of analysis used is the estimation of simultaneous equation system (SEM).

Table 1. Total Fleet taxi Makassar

NO	Company Name	Number of Fleet
1	PT.Bosowa Utama	600
2	PT.lima Muda Nusantara	250
3	Puskud Hasanuddin	250
4	PT.Lima Muda Mitra	200
5	Gowata Taksi	150
6	Putra Transport	300
7	Gowa Makassar taksi	200
8	Metro Makassar Taksi	250
9	PT.Palopo Maju	100
10	PT.Losari Nusantara Transport	100
11	PT.Fibra	100
12	PT.Blue Bird	100
13	PT.Bosowa Amal Taksi	200
14	PT.Citra Toraja Madika	6
15	PT.Erva Madani Makassar	30
Total		2836

Source: South Sulawesi Department of Transportation 2016

Based on Table 1, the number of samples for each type of taxi company is calculated proportionally as in Table 2.

Table 2. Number of Sample Research:

No	Taxi Name	Number of Taxi Driver
1	PT.Bosowa Utama	75
2	PT.lima Muda Nusantara	15
3	PT.Lima Muda Mitra	20
4	Blue Bird	50
5	Gowata	20
6	Metro Makassar Taksi	10
7	Putra	10
Total		200

Determination of interviewed respondents is determined based on the following considerations:

1. Taxi drivers with predetermined companies.
 2. Accommodative and can provide complete and representative data.
 3. Respondents may represent all taxi drivers.
- Simultaneous Equation Model (SEM) in this research can be seen in the following functional equation:

$$y_1 = \alpha_0 + \alpha_1 x + \mu_1 \quad (1)$$

$$y_2 = \beta_0 + \beta_1 y_1 + \beta_2 x + \mu_2 \quad (2)$$

Where, y_2 is taxi driver's income, measured in rupiah; y_1 is work hours pattern, measured in hours; x is number of trips of transport, measured in trips; α_0 and β_0 are constants; α_1 , β_1 and β_2 respectively as parameters to be estimated; μ_1 and μ_2 are random error terms.

The reduced form based on Equation 1 and 2 can be presented in the following equation:

$$y_1 = \alpha_0 + \alpha_1 x + \mu_1 \quad (3)$$

$$y_2 = \gamma_0 + \gamma_1 x + \mu_{12} \quad (4)$$

Where, α_0 and γ_0 ($\beta_0 + \alpha_0\beta_1$) are constants; α_1 and γ_1 ($\beta_2 + \alpha_1\beta_1$) are the total effects of variable x to variable y_1 and y_2 ; μ_{12} ($\mu_2 + \mu_1\beta_1$) are composites random error.

Result and Discussion:

The estimation of the research results can be seen in Table 3. The R square value of taxi drivers' income is very low, indicates that there are still some variables besides the number of transport trips and working hours patterns that affect taxi driver revenue. For that, the following researchers can try to analyze other factors such as education in analyzing the taxi driver's income in Makassar. Nevertheless, this research is still very useful to analyze the strategy for taxi companies in increasing taxi driver's income which will also impact also on taxi companies.

Table 3. The Estimate Results:

Direction of Effect	Regression Coefficient	t-Statistic	Probability
$x \rightarrow y_1$	2,2147*	4,0838	0,000
$y_1 \rightarrow y_2$	0,0072	1,0281	0,3039
$x \rightarrow y_2$	-0,0124*	-2,3050	0,0212

*) Significant at $\alpha = 5\%$
 $R^2 Y_1 = 0,0773$; $R^2 Y_2 = 0,0268$; $N = 200$

Source: Appendix

While the direct, indirect, and total effects of exogenous variables (x) in this research, can be seen in Table 4. The direct influence of the number of transport trips on the taxi driver's income indicates a significant and negative relationship. The indirect effect of the number of transport trips on the taxi driver's income through the working hour pattern shows an insignificant relationship. The insignificant relationship stems from a positive relationship between the number of transport trips and the working hours pattern which is then forwarded to the insignificant relationship between the pattern of working hours and the income of the taxi driver. Overall, the total effect of the number of trips on the taxi driver's income indicates an insignificant relationship.

Table 4. Direct, Indirect and Total Effect:

Directions of Effect	Regression Coefficients		
	Direct Effect	Indirect Effect	Total Effect
$x \rightarrow y_2$ (γ_1)	-0,0124*		-0,0109
Through y_1		0,0015	

*) Significant at $\alpha = 5\%$

Source: Appendix

Based on the direct effect, the results show that the greater the number of trips will make the taxi driver's income even less, on the contrary the fewer the number of passengers will make the taxi driver's income increase.

This is because many taxi companies that work with hotels, malls, crowded places, and others as a gathering place for a taxi to wait for passengers. Passengers are not only from locals but also tourists. At the taxi stands waiting, many of the passengers hire taxis for long distances eg to the airport and tourist attractions. Thus although the quantity of passengers is not much but the distance taxi rental away so that payment will also be greater than the number of passengers a lot but the distance is close. This result is not in accordance with the view [8] stating that the more the number of passengers the taxi driver's income will be greater.

The indirect influence of the number of transport trips to the taxi driver's income through the working hours pattern showed no significant effect overall. That is, the increasing number of transport trips affects the increasing of working hours. Furthermore, the increase in the hours pattern does not affect the taxi driver's income.

Factors that cause taxi drivers should add to the pattern of working hours due to congestion. Traffic congestion becomes the constraint of taxi drivers in the works, mainly Taxi work hours. while the taxi was empty when faced with the congestion. Thus working hours do not affect the taxi driver's income, meaning that time spent working is not effective

This result is not in accordance with the initial hypothesis that the number of trips transport with the pattern of working hours is positively related to the taxi driver taxi driver's income. This result is also not in line with the research of [7] which states that with the large number of product requests make the company add employees work hours to meet the demand, so that with increasing working hours (overtime) then the income of employees will also increase.

The implication is to increase taxi driver taxi driver's income, taxi drivers do not need to chase the number of trips that many transport. In addition, the government must overcome the problem of congestion so that taxi drivers can work more efficiently. In addition to the negative, positive, and insignificant relationships there is an implication that taxi companies should understand and be aware of the state of this variable because

the taxi company's main revenue is a trip transport. In addition to taxi drivers should be aware that this job is a transit job.

Conclusion:

The conclusion of the research as follows:

- The ³number of transport trips does not guarantee the taxi driver's income is increasing.
- The number of transport trips did raise working hours but did not raise taxi drivers' revenue. These results indicate that the number of transport trips as a measure of income has no effect on taxi driver income.
- Increasing the hours pattern does not affect the taxi driver's income. The thing that caused the increase in taxi drivers' hours was the traffic jam. Traffic congestion certainly will not increase revenue.
- Taxi companies need to apply application technology as well as technology-based taxi applications such as Grab, Gocar. Thus the driver is more helpful in working to get passengers.
- This work is not appropriate to be a permanent profession. If the taxi driver wants a better job, then he can move to a taxi company based on application technology. In technology-based taxi companies applications have better performance management, especially in the use of technology that allows taxi drivers to get passengers.
- To maintain the credibility of the taxi company, it is necessary to apply good operational standards. If they consider that their work is only temporary then they are not serious in providing services to passengers
- The government needs to pay attention to this profession because it can accommodate job seekers quickly. This profession does not require special educational requirements to work on this profession.

Acknowledgements:

Thanks addressed to Prof. Dr ⁷Muhammad Yunus Zain, M.A., a lecturer in the Economics Department, Economics and Business Faculty, Hasanuddin University, Indonesia who have guided the authors in completing this research.

Appendix:

⁴MOS Results

Estimates (Group number 1 - Default model)
Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates
Regression Weights: (Group number 1 - Default model)

		Estimate	S.E.	C.R.	P	Label
y1	<-- x1	.2147	.0526	4.0838	***	par_1
y1	<-- u1	3.0169	.1512	19.9499	***	par_4
lny2	<-- x1	-.0124	.0054	-2.3050	.0212	par_2
lny2	<-- y1	.0072	.0070	1.0281	.3039	par_3
lny2	<-- u2	.2962	.0148	19.9499	***	par_5

Squared Multiple Correlations: (Group number 1 - Default model)

	Estimate
y1	.0773
lny2	.0268

Matrices (Group number 1 - Default model)
Factor Score Weights (Group number 1 - Default model)
Total Effects (Group number 1 - Default model)

	x1	y1
y1	.2147	.0000
lny2	-.0109	.0072

Standardized Total Effects (Group number 1 - Default model)

	x1	y1
y1	.2781	.0000
lny2	-.1470	.0749

Direct Effects (Group number 1 - Default model)

	x1	y1
y1	.2147	.0000
lny2	-.0124	.0072

Indirect Effects (Group number 1 - Default model)

	x1	y1
y1	.0000	.0000
lny2	.0015	.0000

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