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# PROPOSED STRATEGY IMPROVEMENT FOR CITILINK AIRLINE TO INCREASE MARKET SHARE

Adhytia Pradiktha Darmawan and Harimukti Wandebori School of Business and Management Institut Teknologi Bandung, Indonesia adhytia.p@sbm-itb.ac.id

Abstract—Airline industry is one of the areas of business that affected by economic growth in Indonesia. According to Ministry of Transportation, the number of domestic and international passengers has increase from 2009 until now. Meanwhile, according to Minister of Tourism and Creative Economy, Indonesia is the third in the world in middle-class society people after China and India. This conditions stimulate grow in Low Cost Carrier (LCC) airlines industry. Citilink is a low-cost airline headquartered in Jakarta, Indonesia. It was established in 2001 as a low-cost subsidiary of Garuda Indonesia. The competition among LCC aviation is very competitive in Indonesia. Nowadays, features given by every LCC airlines is more sophisticated, this condition impact Citilink service to be more perfect both in tangible and intangible part for increasing customer satisfaction. The focus of this thesis is to find a solution that can help Citilink to increase the market share. Author gather a data based on interview with Citilink managements, collecting questionnaire about perception and expectation of Citilink by consumers, and analyzing business situation (external analysis and internal analysis). The analysis shows that the root of the problem that caused the lost market share of Citilink Airline is the low level of customer satisfaction, human resources that existed at Citilink Airlines. To solve the business issue faced by Citilink, author proposes improvement strategy formulation based on the data gathered. Some service strategies recommendations are proposed to respond these conditions. The resulting strategy is to improve the quality of supporting crew as human resources and optimizing use of technology advance to increase efficiency in Citilink activity.

## 1. Introduction

Citilink is subsidiary of Garuda indonesia as low cost carrier, set up to operate shuttle services between Indonesian cities. Citilink provides a low-cost air service to many exciting destinations in Indonesia. Citilink are dynamic concept from Garuda Indonesia. July 5, 2012 Citilink inaugurated the Air Operation Certificate acceptance certificate (AOC) from the Ministry of Communications of the Republic of Indonesia. This certificate marks a new era in the management of change Citilink, which had previously been under the management of PT Garuda Indonesia Tbk., to be a dynamic and self-management .Management of Citilink focused strategy at higher seat load factor, higher aircraft utilization rate, and lower distribution cost (efficiency). Citilink maintains good operational excellence and flight safety. Citilink has 21 aircraft which operating to 16 cities of Indonesia. The market share of Citilink Airlinesstill very small especially compared to the Lion as market leader Citilink losing market share around 19%-25%, as mentioned before LCC aviation market growth in Indonesia is on average 18% per year. This losing market share would become a critical problem for Citilink if they not make preparation for it in tighten competition of LCC aviation.

# 2. Business Issue Exploration

## A. Conceptual Framework

Conceptual Framework is created as a reference to the concept of strategy-making framework that is used to find the root of causes and find the solving problem of the company nowadays: it is losing of market share. With reference to the literature review, the field observation and experience then

author can create make a structure framework for strategy formulation. Figure 1 illustrated the Conceptual Framework which is a combination of several theories.

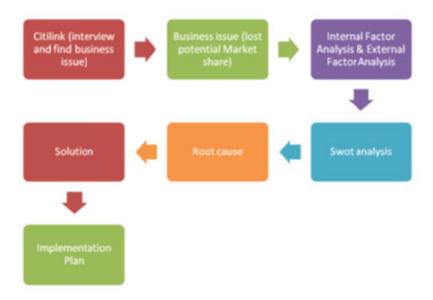
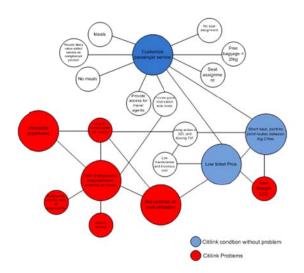


Figure 1. Conceptual framework

- B. Method of Data Collection and Analysis
- Internal Analysis
   Internal analysis provides an explanation of internal factors that exist in Citilink Airlines.
- a. Bussiness strategy

According to Ireland HoskissonHitt the purpose of Business level strategy is to create differences between the firm's position and those of its competitors. To position itself differently from competitors, a firm must decide whether it intends to perform activities differently or to perform different activities. Nowadays, firms used activity map to show how they integrate the activities they perform. Activity map is a tool to identify firm's competitive advantages. Activity map connect firm's value proposition to the activities of firm's that enable to deliver better value proposition among competitors.



## Figure 2. Activity Map

Citilink has integrated its activities as the foundation for their cost leadership strategy. To reach business level strategy as cost leadership, Citilink makes efficiency in every activity (efficiency strategy). As shown in figure 2, Citilink Airlines has configured the activities to support their cost leadership strategy but some them not optimized implemented.

## b. Resources Analysis

According to Thomas I Wheelen "resources are an organization's assets and are thus the basic building blocks of the organization. Resources include tangible assets and intangible assets". Increasing unpredictability and transformations in competitive industry and the globalization of markets require managers to formulate and implement efficient and effective strategies which allow them to respond to changes in order to become competitive and remain so. In other words, the correct use of internal resources and their capabilities or the synergy of resources i. e. alliances may help to modify the industry's structure to its own advantage and outperform the competition (or create sustainable competitive advantage).

To proposes strategy formulation, author need to discover Citilink resources. Correct use of internal resources and capabilities or the synergy of resources may help to modify the industry's structure to its own advantage

| Resources Attribute   | Valuable  | Rare  | Inimitable   | Nonsubstituable                |  |
|---|---|---|--|--------------------------------|--|
| Choosing supplier manufacturer  | Yes (Airbus and Boeing include better<br>fuel efficiency, more cabin space, and<br>better cabin technology) | No  | No (other ailines can<br>choose same aircraft<br>supplier) | No                             |  |
| Cooperation with trusty travel agent                                      | Yes   | No  | No   | No                             |  |
| Using technology advance to facilitate<br>supporting and primary activity | Yes (create efficiency in Citilink activity   | Yes/No (every company<br>customize technology<br>depend on their needs) | No (but difficult to imitate)                              | No                             |  |
| Managerial capabilities   | Yes   | Yes   | Difficult  | Difficult                      |  |
| Supporting crew   | No  | No  | No   | No                             |  |
| Image in punctuality  | No  | No  | No   | No                             |  |
| 100 % Safety record   | Yes   | Yes   | No   | Yes/No                         |  |
| Number of Airplane units  | No  | No  | No   | No                             |  |
| Innovation in Marketing Campaign  | Yes   | Yes   | No   | Yes/no (competitive<br>parity) |  |
| Variant Value Added Service   | Yes   | Yes/No (competitor offer<br>same VAS)                                   | No   | No                             |  |
| Innovation in product development   | Yes   | Yes   | No   | Yes/no (competitive<br>parity) |  |

Table 2.1 Citilink resources

# Physical resources

Almost throughout the city especially in the big cities, Citilink has ticket counter (stand or mobile) and also held cooperation with travel agent all over the city. Citilink has only 21 aircraft (14 Airbus and 7 Boeing) as of February 2012. These advantages using Airbus and Boeing include better fuel efficiency, more cabin space, and better cabin technology.

#### Technological resources

Citilink use advances in technology to reduce costs. The application of this technology is used in promotion & advertising, operations and supporting activity. But in fact there are some failures in the use of the system, especially for flight scheduling and crew scheduling Citilink need to create improvement for this application.

# Human resources

Most of the management of Citilink derived from Garuda Indonesia. Because of that management Citilink can be said very experienced in Aviation industry. With the experienced of management Citilink, Citilink becomes easier in determining policies that concerned with the operational and supporting activities of Citilink. In addition to the experienced management, it helps in improving capabilities of all Citilink's worker elements (via transfer knowledge).

Citilink has experienced pilots, the recruitment process for the pilot requires special specifications, so the pilot who already in Citilink is experienced and reliable pilots. After doing the recruitment process, Citilink also provides training for pilots so that existing safety record can be maintained. In other hand, Citilink main problem comes from the human resource, where the supporting crew of

Citilink cause problems on the operational activity and give a bad image to the punctuality of Citilink Airline.

## Reputational resources

Citilink is known as a subsidiary of Garuda Indonesia, which is the best airline in Indonesia. Additionally Citilink also have 100% flight safety record (no accidents). Citilink is developing effective partnership with the suppliers. Good relationships with suppliers led to timeliness in supply (do not disturb the process of operational Citilink), prioritized by suppliers, supplier providing appropriate price. As mentioned before Citilink has a bad image about punctuality in the perception of Indonesian society.

## Innovation resources

Citilink has an advantage in creates marketing program, Citilink launched creative and innovative marketing programs so that people can get information about Citilink easily. For example Citilink provide a good blog that connects Citilinkers (community of citilink) with someone who did not recognize Citilink brand.

## c. Value Chain Analysis

According to Thomas L Wheelen "Value chain is a linked set of value creating activities that begin with basic raw materials coming from suppliers, moving on to a series of value added activities involved in producing and marketing products or service, and ending with distribution getting the final goods for customer".

| Infrastructure               | Financial system                      | Regulatory compliance  | Operation          | Sales                     | Customer service       | Human Resource               |  |
|------------------------------|---------------------------------------|--|--------------------|---------------------------|------------------------|------------------------------|--|
| Human Resource<br>Management | Flightroutes & yield analyst training | Pilot Training   |                    | In-flight Training        |                        |                              |  |
| Technological Development    | Reservation sysem, cre                | v and flight scheduling system, in-flight system  Market research and product  development |                    | Baggage tracking system   |                        |                              |  |
|                              | Route selection                       | Ticket counter Operations  | Baggage System     | - 2                       | ation and the sales of | Lost baggage services        |  |
| Examplary activity           | Passanger service system              | Gate Operation   |                    | Promotion and Advertising |                        | Follow up customer'sfeedback |  |
|                              | Pricing                               | Aircraft Operation   | Hotel Reservation  | Tr                        | avel agent Program     | Customers Relationship       |  |
|                              | Crew and Flight scheduling            | Baggage handling   | System             |                           | Management /           |                              |  |
|                              | Supplier                              | In-flight Service  |                    |                           | Kiesk Citilink         |                              |  |
|                              | Inbound Logistics                     | Operations   | Outbound Logistics |                           | Marketing 8 Sales      | Services /                   |  |

Figure 3. Value chain Analysis

## Part of inbound logistic

Citilink faces problem in crew scheduling optimization, there are some crews that work overtime while the other hand there are some crews that work slackly and lack of capabilities. This condition leads to problem in operational process (flights delay). Citilink creates a good relationship with their suppliers (Pertamina, aircraft manufacturer, Airport and Air traffic control).

Citilink provides passenger service system to facilitate the consumer in making ticket reservations and selecting product features that provided by Citilink Airlines. It can be concluded in inbound logistic activity, Citilink creating value through good partnership with suppliers and facilitate their consumer with passenger service systems.

## Operation

Citilink provides ticket counter operations to accommodate consumers that want to buy tickets or exchange the tickets (online purchase). Citilink ticket counter operates effectively and efficiently with hospitality service therefore there is no long queue. Aircraft operation in Citilink has not performed effectively that the technician department and ground handling are not on time (poor crew scheduling) in performing aircraft checking that leads to flights delay.

# Outbond Logistic

Baggage system is used to check the weight and content of passenger baggage therefore the baggage is not over the quota in order to ensure the aircraft is not over weight and free from dangerous things that will be a threat for the aircraft flight system. Citilink also offers variant value added service such as reservation hotel system. Citilink consumer can make Citilink hotel reservation all with the aircraft ticket (bundling) for convenience reservation at one time.

## Marketing and sales

Citilink carries out advertising and promotion routinely using internet, newspaper, banner, social media, and also collaboration with other companies (Bank Mandiri, Bank BNI, etc). Citilink also held

Citilink fair for potential consumer to get more information about Citilink brand and all product features that are provided by Citilink.

## Services

Citilink provides a service program for consumer to claim lost baggage. This is to give a safety guarantee for customer. Customer who has Citilink shield will get higher compensation if flight delay and lost baggage happens. Citilink also has customer service that ready to accept criticism and advice from Citilink customer that will be reported to management. Citilink is developing CRM program, as a promotion media and also offer Citilink hospitality with expectation to transform transactional customer to Citilink loyal customer.

## d. Marketing Mix Analysis

Citilink Airline offers low cost flight to 16 cities in Indonesia. Following other services such as food, beverage, Hotel and Kiosk Citilink as Citilink Value Added Service. Citilink has 21 unit air planes (14 Airbus and 7 Boeing).

Promotion is the company's activities to communicate and introduce products to the target market. Citilink promotion activities: (http://www.citilink.co.id), social media (facebook), advertising (billboards, brochures, banners, newspapers.

People have an important role in providing services. Employees of the company can influence customer perceptions, customer satisfaction and can affect the people around him to consume or not consume the product / service companies. Human resources of Citilink resource described in resources analysis.

# 2. Business Situation Analysis

Business situation analysis provides an explanation of both internal and external environments of hotel industry.

## a. Porter's fiveForce Analysis

The result of analyzing all components of Porter's Five Forces on the above, it can be concluded that the threat of new entrants, the threat of supplier bargaining power products, bargaining power of buyers, threat of substitute products and intensity of competition between existing firms is high. Rivaly among existing firms, business competition in LCC Airlines become tighten, increasing stringent domestic flights as indicated by the entry of new competitors, which offer cheaper ticket than another flights company that already exist at present. Bargaining power of buyer, there are many options for consumer to choose which Airlines industry are suitable for them. Buyers will prefer to buy products with low price but also has a good quality and service and provide an ease of transaction. Barier to entry, LCC Airlines industry is quite interesting. The high barriers to entry caused by there's many vendor of airlines provided customization Airlines (especially for number of capacity), regulation from government that open air policy, Increasing in market share according to BPS around 15% a year.

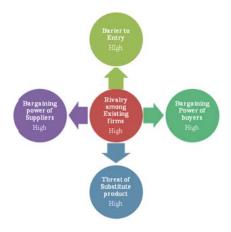


Figure 4. Porter's Five Forces in Hotel Industry

## b. Competition Analysis

There is intense competition in the LCC aviation industry. Author only described Lion Air Airlines as market leader. Lion Air have more routes and destination to attract customers and brand awareness from Lion Air better than Citilink Airlines. It is a challenge for Citilink Airlines to attract new customers and retain existing customers by improving service quality, continuous innovation, optimizing efficiency process to provide better service to customers.

# 3. Swot Analysis

Strength and weakness form Citilink airlines that obtained from internal analysis of Citilink companies and opportunity and threats obtained from industry analysis as external factors.



Table 3.1 Swot Analysis of Citilink Airlines

## **Analysis of Business Situation**

After performing interview with Citilink managements, collecting questionnaire about perception and expectation of Citilink by consumers, and analyzing business situation (external analysis and internal analysis), the root causes from Citilink business issue can be discovered. The main problems of this lost market share cause by minimum preference routes and flight schedule provided by Citilink to consumers. Compared to Lion Air as market leader, Citilink provides less of routes and flight schedule this thing cause customer preferences to choose Citilink airlines decreasing. In addition to route and flight schedule problems there are other things that still need to be improved by Citilink such as: improving service that is given by a flight attendant, increase brand awareness of Citilink because there are still many Indonesian people who do not know the product and service features offered by Citilink. Citilink also has frequently flight delays causes the Indonesian people are reluctant to become repeat buyers for Citilink.

## 3. Business Solution

- A. Citilink actual condition
- Need to improve services. Results questionnaire from the Citilink passengers, they were
  dissatisfied with the services provided by Citilink. Citilink passengers felt hard to contact
  customer service, frequently flight delay, minimum flight routes and destination, cleanness of
  airplane interior, mobile selling as Citilink VAS and in- flight process passengers felt flight
  attendant not help them properly.
- Lack of brand awareness. There is still a lack of brand awareness of Citilink felt particularly by small towns.

• Not optimize in efficiency and effectively in Operational activity. Based on analysis and interviews with management of Citilink there are performance problems in Citilink employees especially for support activity crews.

## B. Solution

Proposed development of business solutions to increase Citilink market share begins with provide formulation strategy using TOWS matrix, and determine strategic factor from Citilink management perception.

Table 3.2 Tows Matrix of Citilink Airlines

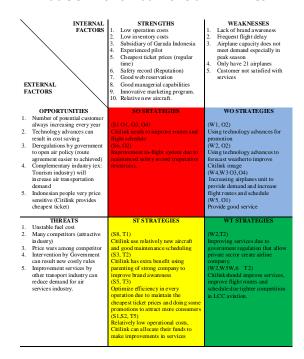


Table 3.3 Internal strategic factor of Citilink Airline

| Internal Strategic Factors   | Weight | Rating | W x R |
|--|--------|--------|-------|
| Strength   |        |        |       |
| Low operation costs  | 0.10   | 4.60   | 0.46  |
| Low inventory costs  | 0.04   | 3.85   | 0.15  |
| Subsidiary of Garuda Indonesia (Shares owned by Garuda which is the best airline in Indonesia) | 0.04   | 2.90   | 0.12  |
| Experienced pilot  | 0.07   | 3.00   | 0.21  |
| Cheapest ticket price  | 0.06   | 2.30   | 0.14  |
| Safety record  | 0.12   | 5.00   | 0.60  |
| Accessibility to make ticket reservation   | 0.04   | 2.70   | 0.11  |
| Good managerial capabilities   | 0.07   | 3.30   | 0.23  |
| Good marketing Program   | 0.07   | 3.21   | 0.22  |
| Relative new aircraft  | 0.04   | 3.85   | 0.15  |
| Weakness   |        |        |       |
| Lack of brand awareness  | 0.04   | 3.4    | 0.136 |
| Flights Delay  | 0.09   | 4.5    | 0.405 |
| Capacity of airplane does not meet demand especially at peak season                            | 0.04   | 2.5    | 0.1   |
| Lack of flight schedule and destination  | 0.09   | 3.3    | 0.297 |
| Only have 21 airplanes compare to market leader  | 0.04   | 2.3    | 0.092 |
| Customer not satisfied with services   | 0.05   | 3.2    | 0.16  |
|  | 1.00   |        | 3.59  |

Table 3.4External strategic factor of Citilink Airline

| External Strategic Factors   | Weight | Rating | W x R |
|--|--------|--------|-------|
| Opportunity  |        |        |       |
| Number of potential customer always increasing every year                              | 0.13   | 3.1    | 0.403 |
| Technology advances can result in cost savings   | 0.14   | 4      | 0.56  |
| Deregulations by government to open air policy (route agreement easier to be achieved) | 0.1    | 3.6    | 0.36  |
| Complementary industry (ex: Tourism industry) will increase airline demand             | 0.08   | 2.4    | 0.192 |
| Indonesian people very price sensitive (Citilink provide cheapest ticket price)        | 0.07   | 3.5    | 0.245 |
| Threats  |        |        |       |
| Unstable fuel cost   | 0.08   | 2.2    | 0.176 |
| Many competitors (attractive industry) 1712  | 0.13   | 3.6    | 0.468 |
| Price wars among competitor  | 0.11   | 3.8    | 0.418 |
| Intervention by Government can result new costly rules.                                | 0.07   | 1.8    | 0.126 |
| Improvement services by other transport industry (bus and train) can reduce demand for | 0.09   | 2.6    | 0.234 |
|  | 1      |        | 3 182 |

Table 3.5 strategic factor of Citilink Airline

| Strategic Factors                                     | Weight | Rating | WxR   |
|---|--------|--------|-------|
| S6 Safety record                                      | 0.15   | 5      | 0.75  |
| S2 Low Operation Cost                                 | 0.13   | 4.4    | 0.572 |
| W2 Flights Delay                                      | 0.13   | 4.4    | 0.572 |
| W4 Lack of Flight schedule and destination            | 0.13   | 3.5    | 0.455 |
| O1 Number of Potential Customer increasing every year | 0.1    | 3      | 0.3   |
| O2 Technology advances result in cost savings         | 0.13   | 4.5    | 0.585 |
| T2 Many Competitors                                   | 0.12   | 4      | 0.48  |
| T3 Pricewars  | 0.11   | 3.2    | 0.352 |
|   | 1      |        | 4.066 |

# Proposed Membership card of Citilink Customer

To increase the market share of Citilink besides improvement in terms of service, quality improvement and product preferences, increasing human resources, Citilink also needs a program to engage consumers so a transactional consumer will become a loyal consumer. Program developed by Citilink is still a CRM (customer relationship management) program, therefore author suggest Citilink to make a membership card for Citilink customers. Membercard is useful for customers to engage loyalty program.

# Proposed new training and recruitment process.

Citilink employees shall to coordinate with third parties, therefore Citilink HRD need to distinguish individuals with social skill and teamwork capability in recruitment process. Citilink should concern about relational competence to achieve organizational success. Citilink HRD should design training for functional expertise and social skill.

## Proposed Outsources selection for Citilink supporting crew.

Perform selection for the provision of co-workers outsorces labor, and management Citilink need to provide training to equalizetheir capabilities with the requirement of Citilink. Besides, Citilinkmay collaborate with outsourced service provider to provide manpower that qualified Citilink standard. As other option, Citilink to establish an aerostation school that the alumni will be worked for Garuda and Citilink. Citilink must assign decisive labor contract and job description for outsources employee.

- Optimizing use of technology advance
- **Developing partnership with third parties** (airport, air traffic control, BMG). Good partnership with third parties lead a better coordination and flight planning for Citilink's operational activity.
- Improving brand awareness through advertising and promotion.
- Improvement in Unreliable departures.

Citilink improve their quality of human resources for supporting crew (aircraft crew and technicians), management Citilink held training courses to improve their employees capability, and with the decisive labor contract and obvious job description, management Citilink expect improvement in efficiency and effectivity of Citilink operational process.

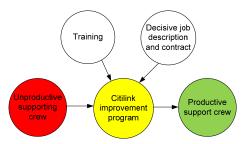


Figure 3.1 Improvement in supporting crew

# Improvement in Turn around Gate Time

Management Citilink is developing a partnership with the airport and air traffic control, has a good partnership with this parties is expected tocreate better coordination in the flight planning process. The output of this coordination is to accelerate the turn around gate time from Citilink airlines, so Citilink Airlines can maximize aircraft utilization and the punctuality reputation of Citilink airline will get better.



Figure 3.2 Improvement in Turn around Gate Time

Faster turnaround gate time will help the Citilink airline to maintain compliance schedule. Faster turn around gate time and use technology advances to forecast weather will help Citilink to improve flight punctuality. Benefit from faster turn around gate in addition to punctuality reputation, Citilink able to maximize aircraft utilization so Citilink can generates better revenues and reduce costs (for parking tax).

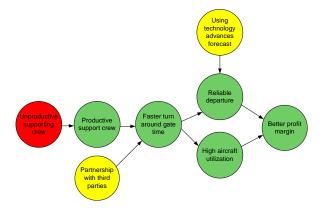


Figure 3.3 Strategy scheme improvement

With the improvement of Citilink strategy scheme, Citilink can optimize efficiency in operational process. Optimal efficiency process of the Citilink airline, Citilink will be able to provide a cheapest ticket prices for consumer (cost leadership strategy) with a better profit margin.

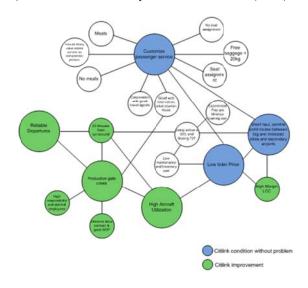


Figure 3.4 Expected Activity Map of Citilink Airline

# 4. Conclusion and Implementation Plan

## a. Conclusion

Based on questionnaire data processing and field observation on business situation and internal company condition, it can be concluded that Citilink Airlines face problems in meet the consumer expectations. Consumer not satisfied caused by the lack of routes and destination that provide by Citilink Airlines, a bad reputation with the frequent of flight delays. Frequent flight delay caused by the quality of human resources and not optimal use of technology. Author use TOWS matrix for determining priority attribut to be improveby Citilink and as one of the tools to formulate a strategy to solve the problem.

# b. Implementation Plan

• Improving flight routes and flight schedule.

Citilink performed market research and determined the routes that have many potential consumers, Citilink management has to contact and negotiate with local government and airport management in order to open the new routes. Citilink has to add the aircraft quantity and negotiate with aircraft supplier to support the enhancement of flight routes and flight schedule.

- Reduce flights delay
  - Contact and negotiate with local government and airport management in order to open the new routes.
  - Briefing every morning and afternoon, and coordination with Airport and traffic control employees.
  - Coordination with BMG (Badan Meterologi dan Geofisika) due weather conditions.
  - Provides training for supporting crew about efficiency for operational activity.
  - ❖ Held meeting with HRD every 2 months to evaluate supporting crew performance.
- Increase services.
  - Provides hospitality training for customer service and flight attendant.
  - Build application to save passenger database.
  - Conduct inspections to assess the performance of the front liners every 2 months.
  - Provides sales training for flight attendant (become sales force in the sky).
  - ❖ Held meeting with HRD every months to evaluate front liners performance.
- Membershipcard for Citilinkers.
  - Create coorporation with brand fashion and retail store.

- Offering to Citilink loyal customer via phone or email.
- Launch membership program for Citilink loyal consumer and described the advantages using
  membership card of Citilink to the public via advertising to attract and engage more
  consumer in using Citilink Airlines. Citilink can use CRM program that being developed by
  Citilink to promote membership card, Citilink customer service can access the passenger
  database to find anyone who frequently use Citilink airlines service as top priority to offer
  membership card Citilink.
  - Advertising
  - Improvement in Value added services.
- Market research to determined customer needs and effectivity of VAS in consumer perception.
- Cooperation with Hotel via agoda.
- Direct offering by customer service for selection passenger.
- Advertising
- Increase brand awareness

Citilink has to increase the number of ads in order to improve Citilink brand awareness. Increasing the number of ads may via internet, television, radioand banner especially in small cities that have many potential consumers but there was no Citilink marketing program in that cities.

Internet Media

Creating advertisement could be via email blast, social media to give information and promotion about Citilink products.

Television and Radio

Creating advertisement via television and radio needs negotiation with related parties in term of price, time slot and duration. It is very essential to have ads at the prime time therefore the ads will get attention from more potential consumers.

Banner/ billboards

Billboard installation at the downtown about products/services that are offered by Citilink will increase people's awareness about Citilink products/services. Billboards are also beneficial as Citilink promotion media (billboard event per event that been launched by Citilink).

In advertising through those media, Citilink may use house brand as Garuda Indonesia subsidiaryto improve Citilink image in consumer perception.

- Improving in-flight systems.
- Cooperation with the transportation security administration.
- Research functionality of latest technology.
- Held meeting with pilot every 6 months to determine effectiveness of in-flight systems.
- Cooperation with in-flight system supplier.
- Held training for Citilink Pilot to operate new technology.
- Efficiency in every activity.
  - Citilink may develop a team to evaluate efficiency level of every Company activity.
  - ❖ Build OSS on activities that have not been use applications.
  - Held meeting with HRD every 2 month to evaluates performance of every divison.
  - Held meeting with every head divison to evaluates effectiveness of OSS aplication.
  - Improvement in recruitment process.
  - Provide decisive labor contract and job description.
- Provide application to facilitate transfer knowledge

Citilink has excellent managerial capabilities and provide transfer knowledge within the scope of Citilink employees. To facilitate the transfer knowledge within managerial and employees, Citilink need to establish an internal application where every division in the organization can access other divisions data (provision of information by expertise by each division). Development of these applications can use the Internet or lan network.

- Build application to provide transfer knowledge.
- Prepare the network infrastructure.
- Introducing the system to whole employees.
- ❖ Held a meeting every 3 months to determine effectiveness for the application.

Recruitment process for supporting crew.

Citilink carries out separate recruitment process for supporting activity department with capability specification that is needed by Citilink. Citilink provides a clear employment contract for outsourcing employee therefore it will be easier to evaluate employee performance. Besides, Citilink may collaborate with outsourced service provider to provide manpower that qualified Citilink standard. As other option, Citilink to establish an aerostation school that the alumni will be worked for Garuda and Citilink.

- Coordination with HRD to create new job specification.
- Partnership with outsources provider to held training.
- \* Research number of potential students for aerostation school.
- Contact local government to determine regulation and feasability study about aerostation school.
- Using technology advances.
  - ❖ Held a meeting with head division every 3 months to determine effectiveness of application.
  - \* Research about functional of latest software technology.
  - Contact software provider.
  - ❖ Held meeting with IT staff to determine application optimization.
- To support new recruitment and training techinique.
  - ❖ Held outbound to improve relationship of employees in every division
  - Coordination with HRD need to distinguish individuals with social skill and teamwork capability in recruitment process.
  - HRD create new program for expertise training and social skill training.
  - Meeting with Citilink managerial and HRD to deterimine effectiveness new recruitment and training technique.

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