

The Successful Implementation of Kotter's 8-Step Change and PPM Transformation Model: Bluebird's Digital Transformation

Yesica Dyah Oktavia^{1,*}

1 PPM School of Management, Jakarta, Indonesia

* E-mail: yesicadyah@gmail.com

ABSTRACT

Bluebird is a well-known transportation company in Indonesia known for its quality service and reliable drivers. Bluebird has a vision that changes with the times. The realization of the potential owned by the company is the key to the successful transformation carried out by Bluebird when faced with digital ride-hailing and also the COVID pandemic. Bluebird's transformation capability is reflected in its soaring performance results until now. This research concludes, analysis of the organizational transformation model and the stages of transformation that have been carried out by Bluebird in realizing its success in digital transformation. Data from the company's financial statements, official news, and company interviews in trusted electronic media are used in this research. The results of this study prove that the company has fulfilled the transformation aspects and is ready and successful in carrying out digital transformation. From the transformation carried out by Bluebird, public awareness of Bluebird's existence has also increased.

KEYWORDS

kotter's 8 step change; PPM transformation model; digital transformation; bluebird

1. INTRODUCTION

In the past few decades, digital technology has brought profound changes and continues to evolve, affecting almost every aspect of human life such as communication, education and business. To adapt to current digital conditions, awareness of change, increased digital skills and literacy, equitable internet access, cyber security, digital transformation in organizations and businesses, digital education, and active participation in digital society are needed. (Herlambang & Fathoni, 2023) states that digitalization transforms conventional media into a process that allows data to be processed, created, sent, and received without time and space limits, and increases efficiency and effectiveness (Claretta & Riduwan, 2022)

Digital transformation involves the integration of digital technologies into every aspect and operation of an organization, which changes the way the organization operates and delivers value to its customers (McGrath & Maiye, 2010). Examples of digital transformation include digital solutions, migration to cloud computing, and the use of smart sensors to reduce operating costs. Changes in people's consumption patterns in the age of computers and the internet have led to an increase in activity in online markets and a decrease in conventional markets. Most online shoppers are young families with a monthly expenditure of at least 4 million rupiah.

Digital transformation strategies help companies increase productivity and adapt quickly to change. In Indonesia, digital change is also very important for the ride-hailing industry, such as the use of mobile phone-based applications to book rides and manage driver networks, which improves operational efficiency and customer satisfaction.

Bluebird, the oldest ride-hailing company in Indonesia with 23,000 drivers, has faced two major challenges: digital disruption and COVID-19. This research will explain that Bluebird has fulfilled the transformation aspects and is ready and successful in carrying out digital transformation using Kotter's 8-step change and PPM model transformation. From the transformation carried out by Bluebird, public awareness of Bluebird's existence has also increased.

2. METHODOLOGY

This research is descriptive qualitative in approach. Qualitative research, according to (Anggito & Setiawan, 2018), is defined as data collection in a natural setting with the interpretation of phenomena that occur, where the researcher serves as the main tool, and the analysis carried out is qualitative in nature to produce meanings that are different from generalizations. Descriptive research focuses on phenomena, their nature, and how and why things happen. The results of this research are written in descriptive form. Researchers used secondary data for this study. Secondary data is obtained indirectly through intermediary media, so that the researcher acts as a second party, not obtaining data directly. Secondary data can be obtained through various sources, such as books, websites, or government documents. This data is then used by researchers to understand the problems and analyze the problems in this study. Researchers ensure that the secondary data sources obtained come from trusted and credible sources in accordance with the facts. Data was obtained from electronic newspapers, company financial reports, official company websites, and formal company interviews on news sites.

3. RESULTS AND DISCUSSION

Online-based transportation began to appear in Indonesia in 2010, but only became popular among the public in 2015 with the launch of Android and iOS-based smartphone applications. Indonesia's largest taxi company, Bluebird, has been significantly impacted by the presence of online travel agencies such as Gojek and Grab. To address this challenge, Bluebird implemented various digitalization strategies, including the launch of a smartphone app for taxi booking that improved convenience and efficiency for customers.

Bluebird also introduced innovative programs such as Bluebird Pijakan, which uses motorcycles to reach locations that are difficult to reach by car. In addition, Bluebird works with other businesses, such as its collaboration with Gojek, to expand its reach and improve customer experience. Despite facing major disruptions, including protests from drivers due to the entry of online transportation, Bluebird continues to adapt. Bluebird management realizes that the company's mindset must change to face new competition. Despite having ANDAL values (Aman-Safe, Nyaman-Convenient, muDAh-easy, personalLized), the slogan was not strong enough to maintain their position. The company's focus then shifted to developing and promoting the MyBlueBird app, although it was not maximized at first.

During this period of change, Bluebird emphasized three main advantages: EZpay, on-off integration, and street presence. EZpay makes it easy to pay taxi fares by various methods, working with many banks and digital wallets in Indonesia. On-off integration allows drivers to manage passenger status, while Bluebird's street presence allows passengers to stop the taxi directly, something that online transportation cannot do. Despite facing threats from competitors who are innovative in promotions and discounts, Bluebird management still believes that by maintaining good service and innovation, they are able to compete and grow. They are committed to continue pursuing innovation for the betterment of the company.

With a focus on innovation, digitalization, and strategic alliances, Bluebird is implementing a multidimensional strategy to accelerate its digital transformation. One important step was the creation of a smartphone app for booking taxis, which helped modernize and expand the company's reach. Bluebird also continues to innovate in products and services. During the COVID-19 pandemic, Bluebird saw opportunities in logistics services by carrying goods instead of passengers. They launched a COD (Chat-Order-Delivery) program that allows ordering products and documents via WhatsApp. This service helped the company adapt to social distancing rules and remote work, which proved successful in several major cities in Indonesia.

Bluebird's management emphasizes that service quality is key to the company. They believe that the ability to adapt during PPKM (Pemberlakuan Pembatasan Kegiatan Masyarakat) is a critical success factor. The company's ANDAL values, which consist of one point of safety and three points of service, form the basis of their approach during the pandemic. To strengthen its position, Bluebird collaborated with other businesses, including a partnership with Gojek, to offer wider transportation options and improve customer experience. In addition, Bluebird provides extensive training to its drivers to maintain a competitive edge in an increasingly tight market.

Bluebird's transformation strategy is based on three main pillars: digitalization, innovation, and strategic alliances. By adopting these components, Bluebird is ready to overcome the challenges posed by COVID-19 and continue to offer high-quality services to its customers.

3.1. Transformation Model

3.1.1. PPM Transformation Model

The Organizational Transformation approach can be carried out using the PPM transformation model method. The following is an analysis and explanation of the 9 PPM Transformation Models carried out by Bluebird:

Table 1. PPM Transformation Model of Bluebird

No	Elements of PPM Transformation Model	Bluebird
1	Visionary Business Direction	Yes. The statement of business direction is clearly stated in the vision, namely "To be a company that is able to survive and prioritize quality to ensure sustainable prosperity for stakeholders". In addition, Bluebird clearly conveys and communicates the company's values to all stakeholders.
2	Readiness to Change	Yes. In managing changes for individual groups, Bluebird has employees who are willing to participate in change, with this changing mindset making Bluebird's strength to be able to transform. Within the scope of the organization, this change is also always conveyed by the Board of Directors from Bluebird to all its stakeholders. Active provision of information related to changes is carried out at every meeting with stakeholders. Not only that, Bluebird is able to provide training for employees related to services and the use of technology within the company.
3	Market Oriented	Yes. Because in Bluebird's vision, all efforts made by Bluebird in order to fulfill quality and in its mission are also conveyed that customer satisfaction is the main thing with all types of services and efficient resources, aimed at meeting market needs.
4	Responsive to External Environment	Yes. Bluebird already has a sustainability and innovation strategy to face challenges from the external environment. This is also evidenced by winning The Digital Transformer Appreciation at the IDC Digital Transformation Awards in 2020.
5	Operation Excellence	Yes. Good planning, control, operational and quality assurance processes have been carried out by Bluebird.

No	Elements of PPM Transformation Model	Bluebird
6	Strong Leadership	Yes. With the growth mindset brought by the Board of Directors, Bluebird is able to rise and change. There are even Top-Down and Bottom-Up principles in the journey of change. The Board of Directors has strong knowledge, confidence to move forward, and great energy to encourage stakeholders to grow and change.
7	Competent Personnel	Yes. Bluebird encourages an EAL attitude and a family culture. This is the source of change for Bluebird people. With skillful motives, dispositions, and abilities, Bluebird can get through difficult times and rise to make changes.
8	Risk Management	Yes. Bluebird did panic when facing competitors and the pandemic case that hit. However, on its way, Bluebird was able to anticipate existing risks and see future market developments by making innovations and integrating with other businesses.
9	Organizational Culture	Yes. Bluebird's organizational culture is known to be strong. There is no distance between the board of directors and other stakeholders. 95% of complaints from labor unions are known by the Board of Directors and become feedback and solutions. This certainly characterizes Bluebird with its culture.

Source: Prepared by Author's

3. 1. 2. Kotter's 8-Step Change

In carrying out the transformation, Bluebird carried out various activities and processes. These activities and processes are then analyzed in accordance with Kotter's stages of change. To provide an analysis of Kotter's eight stages of transformation that have been carried out by Bluebird, it is necessary to see how this company has responded to challenges in the transportation industry, especially with the emergence of application-based transportation services. The following is an analysis based on publicly available information. The following is an analysis of Kotter's stages of change for Bluebird:

Table 2. Kotter's 8-Step Change of Bluebird

No	Kotter's 8-Step Change	Bluebird
1	Establishing a Sense of Urgency	Bluebird realizes that the emergence of app-based transportation services such as Gojek and Grab pose a

No	Kotter's 8-Step Change	Bluebird
		<p>serious threat to the company. Management understood that without change, the company would lose significant market share. Bluebird (even the CEO) communicated this threat to all levels of management and employees through regular meetings, and utilized market data to show the potential decline in conventional taxi services.</p>
2	Creating a Guiding Coalition	<p>Bluebird established a change team consisting of senior leaders and key managers who are committed to implementing change. This team is responsible for developing the transformation strategy and ensuring buy-in from all parts of the organization. The company also worked with external organizations to gain additional insights.</p>
3	Developing a Vision and Strategy	<p>Bluebird's original vision was to be a sustainable, quality-oriented company that ensures the sustainable well-being of all stakeholders. The company then developed a vision to be a leading and resilient transportation service provider that leverages technology to improve customer experience and stakeholder sustainability.</p> <p>This vision included the development of a mobile app for booking taxis, integration with digital services, working with payment and banking systems, and improved customer service. This strategy is widely communicated within the organization.</p>
4	Communicating the Change Vision	<p>Bluebird recognizes the importance of effective communication to gain support from all employees. It used various communication channels, including regular meetings, internal newsletters, and corporate social media, to explain the vision and change strategy. Bluebird also held training sessions to ensure all employees understood and supported the new vision.</p>
5	Empowering Employees for Broad-Based Action	<p>Bluebird identified key barriers to the adoption of new technology and more flexible business processes. The company changed the organizational structure to better support innovation, provided technology training to drivers and staff, and updated the incentive system to encourage performance in line with the new vision.</p>
6	Generating Short-Term Wins	<p>To demonstrate the benefits of change, Bluebird set short-term targets that could be achieved in a short period of time. Launching the Bluebird app that allows customers to book a taxi via smartphone. Conducted a promotional campaign highlighting the ease and advantages of using the app. The successful launch of the app provided a</p>

No	Kotter's 8-Step Change	Bluebird
		morale boost for employees and increased customer confidence.
7	Consolidating Gains and Producing More Change	Bluebird ensures that the changes it has made do not stop at initial success. Continuing to develop new features in the application, such as digital payment options and integration with other services. Bluebird also continues to collect feedback from customers and employees to improve services.
8	Anchoring New Approaches in the Culture	Bluebird strives to make these changes a permanent part of the company culture. Incorporating the values of innovation and customer orientation into new employee training, updating SOPs (Standard Operational Procedures) to reflect the new way of working, and recognizing and rewarding employees who contribute to the success of the transformation.

Source: Prepared by Author's

4. CONCLUSION

To face the challenges posed by the disruption of application-based transportation services and the COVID-19 pandemic, Bluebird has taken strategic steps. The journey is not easy, various efforts are made to face these two big challenges. In running its business, Bluebird continues to stagnate and close its eyes to the triggers of change. Adaptation and changes made have succeeded in delivering Bluebird to become a company with a large number of fleets and spread everywhere. The main changes made are developing and launching mobile applications that make it easier for customers to order taxis, pay digitally, and access additional services. Not only that, Bluebird expanded its service portfolio, including delivery of goods and collaboration with various digital platforms to improve their offerings. This move helps Bluebird compete with more modern and technological app-based services. The change process carried out by Bluebird has also been in accordance with the PPM organizational change model and Kotter's 8 stages of change. This is what makes Bluebird stronger and able to face changes and survive in the current era in accordance with its vision of becoming a company that is able to survive and provide sustainability.

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