Contractual Governance of Indonesia Railway System
Case Study:
Customer Satisfaction in Jabodetabek Area Vs Värmlandstrafik AB

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Abstract

The growth of private motor vehicle grows rapidly each year have negative impact not only for the extra contribution of air pollution but also to time wasting. That impact can lead to decreasing of people quality life. Public transportation is one of the solutions for the problem. Therefore, the shift from private motor vehicle user to public transportation, in other word increasing market share of public transportation, is necessary. One of the public transportation that can attract more market share is railways. It has large capacity, high safety level, and free from traffic jam. Those characteristic makes railway as primary public transportation.

Indonesian railways nowadays have lot of problems and receive many complaints from the passenger. Train travel is still colored with the delay, limited well-condition vehicle, and unclear train travel information that often disadvantage passengers, and many of services offered were failed to attract passengers. These conditions result in decreasing quality of services and insufficient railways operation. This will be a barrier to Indonesian railways accomplishment in making it to be a reliable and sustainable transport mode. Therefore, to improve market share and to improve the railway condition, it necessary to have contractual governance with standard that can lead to costumer satisfaction and making the process improve the relationship between the stakeholders. This lead to the problem of what is the customer satisfaction factors in using railway as their transport, what service quality item that satisfied the passenger, and how contract can maintain the relationship between the stakeholders.

Finding in this thesis consist of several point. First, from the customer satisfaction index, the customers of Jabodetabek commuter train are not satisfied with the service. Second, the analysis discovered that there are four factors that have high correlation with overall satisfaction. The four factors are equipment and facility, assurance, competency, and travel time and appearance. The attributes is grouping into five SERVQUAL dimension. From regression analysis of SERVQUAL dimensions there are two service items that influence the customer satisfaction; assurances and tangibles. Third, from gap analysis there are gaps in service process that need to be closed in order to deliver service quality which lead to customer satisfaction in railway operational. Fourth, from contract analysis can be concluded that present condition PT.KAI as the operator cannot perform as it is stated in contract. This can be influenced by many factors such as; the lack of infrastructure, the lack of vehicle, customer misbehavior, staff misbehavior and external factors. In delivering service quality which can lead to customer satisfaction, it is recommended to improve the service that related to assurances and tangible items and to involves passengers in controlling and improving railway operational. The result expected from the improvement is the increase of overall performance of railway operation which can lead to the increase customer satisfaction and market share. From side of contractual governance, the research discovered that there are problem in contract clausal and relationship between DGR, PT. KAI and people as customer of railway service. The recommendation is to include customer complains in setting contract clausal that can make DGR, PT. KAI and people as customer in mutualism developing relationship.

Keyword: Contractual governance, Customer satisfaction index, railways operation, Jabodetabek commuter railway, service quality.
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Chapter 1
INTRODUCTION

1.1 Background

Transportation helps shape an area’s economic health and quality of life. Not only does it provide for the mobility of people and goods, it also influences patterns of growth and economic activity by providing access. The performance of the system affects public concerns like air quality, environmental resource consumption, social equity, land use, urban growth, economic development, safety, and security. The growth of private motor vehicle grows rapidly each year have negative impact not only for the extra contribution of air pollution but also to time wasting because of the traffic jam which lead to the decreasing of people quality life. Public transportation is one of the solutions for the problem. Therefore, the shift from private motor vehicle user to public transportation, in other word increasing market share of public transportation, is necessary. One of the public transportation that can attract more market share is railways.

Railways as mass public transport mode has unique characteristic. It has large capacity, high safety level, and free from traffic jam. Those characteristic makes railway as primary public transportation. But it is not easy to improve railways because the infrastructure and the operational require high cost. In operational, railways are complex. They involve the movement of freight, passenger, and mixed between freight and passenger trains from one terminal or yard to another over a division or subdivision of track. The operational must to be taken by professional operator to make sure the system and schedule be in the right order. This need lot of consideration from government as their obligation to provide public services. In other hand, this is also a great responsibility for the operator. The railways operational operator has to be responsible for the actual transport service to passengers, set time table, and take care the financial aspects of operations, they also being pursued to give good quality of service and good performance.

Indonesian railways nowadays have lot of problems and receive many complaints from the passenger. Train travel is still colored with the delay, limited well-condition vehicle, and unclear train travel information that often disadvantage passengers. These conditions result in decreasing quality of services and insufficient railways operation. This will be a barrier to Indonesian railways accomplishment in making it to be a reliable and sustainable transport mode. Based to the problem and the existing condition, strategic issues in railway systems should be related to the desirable level of service provided to the customers and the capacities of the resources that are required to accomplish these services. In determining the level of service, one of the factors that need to be considered is customer satisfaction. Customer satisfaction related in how passenger response the quality of service that the operator of railway gives for them. The operator and public transport agency should know what exactly the passenger or the public need so they will prefer to use railway as their mode transportation and also improving their quality of service.

In maintaining relationship between the operator and the stakeholder, the services that operator gives is tied in a legal form of contract. Contract is a form of legal written document, constitute a foundation for measurement and control of business performance (Bryntse, 2000). This means that to see whether the operator has done their obligation can be evaluate
through the standard of services which stated inside of the contract. The items of service standard should be matching with the customer demand which can be a major determinant for success in achieving customer satisfaction. Therefore, to improve market share and to improve the railway condition it necessary to have contractual governance with a performance measurement, which the items can lead to customer satisfaction and making the process improve the relationship between the stakeholders. This lead to the problem of what factor influences people in using railway as their transport, what item that satisfied the passenger, and how contract can maintain the relationship between the stakeholders.

1.2 Research Problem

Railways as mass transportation with many benefit such as speed, environmentally friendly mode of transport in terms of energy consumption, limited land-take, high safety standards, and because it has own lines make railway free from traffic jam. In other word, railway offer solution in mobility and environment problem that become the real issue in Indonesia right now. The increasing number of railway passenger in the last 5 years means that people has desire to begin using public transport in their daily activity. But the increase of railway passenger still follows by the increase of private motor vehicle, means that people still choose private motor vehicle as their main transport. One of the reason people have not choose railway as transportation mode is because they still not satisfied with the service.

Railway in Indonesia becomes the responsibilities of government. It because the railway operational need high cost and until now there is no private company that can handle it. Government represented by Directorate General of Railway gives the railway operational task to the operator. The relationship between the government and the operator tied in written agreement of contract. The contract regulated the obligation and the rights of each party. As for the operator, the contract have specification substances that operator must fulfill and evaluate through performance measurement. Government has obligation to give subsidy as public service obligation

Railway operator has support in financial and public policy from the government as commitment of government in sustainable transport system. The subsidy that government of Indonesia gives for the operational of railway should ease the operator in doing their operational. Furthermore, the revenue of the ticket sales that go directly to them should make them more to customer-orientation services and increase their service quality. Those advantages should make railway as prime mass transport with good service quality compare to other public transport which not receive subsidy.

From general review in this thesis the research problem are:
- The Indonesian railway service contract has lack of detail for service quality
- If contract has detail of service quality, the customer satisfaction will rise

1.3 Research Question

The research problem lead to three fundamental research questions:

a. What is the customer satisfaction factor in railways operational?
b. What does the item of service quality that lead to customer satisfaction
c. How to deliver service quality in railway operations which lead to customer satisfaction from contractual governance?
1.4 Purpose of Research

The overall aim of the thesis is to analyze the relationship between the undelivered service quality agreements with customer satisfaction in Indonesia railway operational. The thesis intends to give broader analysis in relationship and roles of PTA, operators, and customer in contract related to the service quality and customer satisfaction. The expectation through the analysis is to find key factors that influence service quality delivery which influences the customer satisfaction.

1.5 Limitation

Railway transportation can be split into passenger and freight railway service. This thesis limits the coverage area only in passenger railway service. The contract that will be reviewed is related to service contract of railway operation. The case study in Indonesia will be assumed in Jabodetabek area, which consist Jakarta, Bogor, Depok, Tangerang, and Bekasi, as representative of Indonesia. Customer satisfaction survey in Indonesia is held in Jabodetabek area. For case study of Sweden is taken from previous study, literature review, interviewing the related authority, and field observation. This problem sees from the side of government or transport authority. Even thought there are many factors which involve in contract of public transportation service, such as social, culture, political, finance, and risk analysis, but for this thesis the factor that become focus discussed is the service quality which become the performance measurement and analysis the affect to customer satisfaction. There is a problem in accessing literature and research database through digital library in Indonesia. The connection was rejected and that is the reason why only several research and literature which applied and taken from Indonesia. There are also problems in language as the information and data source from VTAB in Swedish language. Related to researcher limitation, there might be different interpretation.

1.6 Methodology

In general, this research will be based on literature reviews, field observation, customer satisfaction survey, interviewing key person in related organization, and comparison studies about railways’ multi-operator contract towards customer satisfaction. The flow process is to gather primary and secondary data, analyze data, and making comparison. The comparator for the Indonesian railway PTA is Värmlandstrafik AB which is the PTA of Värmlands County, one of the counties in Sweden. The research in Värmlandstrafik AB consist the subject of how Värmlandstrafik AB can deliver service quality to citizen, and what is the factor in side the contractual governance that Indonesia railway PTA can learn. The result of data analysis and findings will be analyzed into how to implement it in Indonesia railway PTA with case study area of Jabodetabek. Jabodetabek area is consisting of Jakarta city, Bogor municipalities and region, Depok Municipalities and region, Tangerang municipalities and region, and Bekasi municipalities and region.

1.6.1 Qualitative Research Approach

Qualitative research tends to be associated with words or images as the unit of analysis. It relies on transforming information from observations, reports and recordings into data in the form of the written word. The using of statistical procedures places quantitative data in a strong position when it comes to analysis. Qualitative research use to make description of data (Denscombe, 2007). The qualitative research involved the use and the collection of various
empirical materials, like the case study, the personal experience, the biography, the interview, observation, the text of the history, interaction and visual: that picturing routine torque and problematic as well as his meaning in the individual and collective life (Denzin & Lincoln, 1994). This research is using qualitative research for methodological discussion and analysis of empirical study. The research using data from interviews, field observation, and customer complain database. The aim of qualitative approach is to explore phenomena, customer thought, feelings or interpretations of meaning and process in railway operational.

The analysis of data is conducted in organize and structure working. The result were translated to work as an illustration and to get a holistic view on railway operational. Before the process of the analysis, researcher was carried out by the process of the data collection about customer satisfaction in Jabodetabek commuter railways. The survey was conducted through mailing list the user of Jabodetabek commuter railways and other respondent that using Jabodetabek commuter railways. The analysis of service gap was carried out to know the difference between the perception of the operator with the expectation of the user and the specification of the service quality. The result is descriptive analysis of service quality items which lead to customer satisfaction through contractual governance point of views.

1.6.2 Case Studies

According to Yin (2003), a case study is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. The thesis is a case study about railway as public transport mode which necessary to improve so it will give benefit to the stakeholder. The stakeholders are government, public transport agency, operator, and customer. This thesis taking Värmlandstrafik AB, PTA of Värmland County, because the PTA has succeed in increasing the customer satisfaction. This fact based on survey about customer satisfaction in public transportation which taken every year in Sweden. Case studies in this research are based by project research in Värmlandstrafik AB and Indonesia transport agency with supported paper and literature about related subject. The result of analysis chapter will be applied in pilot case study of Indonesian railways system. The pilot case study is implemented on Jabodetabek area with consideration of each characteristic between Jabodetabek area and Värmlands region. The data and analysis is using qualitative and quantitative methods which form triangulating approach.

The case study inquiries according to Yin (2003) are consisting of three characteristic. First, case study should copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result. Second, it relies on multiple sources of evidence, with data needing to converge in a triangulating fashion. Third, as other result the case study is give benefit from the prior development of theoretical propositions to guide data collection and analysis. In other words, the case study as a research strategy comprises an all-encompassing method - covering the logic of design, data collection techniques, and specific approaches to data analysis. In relation to the designing case study research, this need general review to the thesis scope of study. This thesis is study the item of service quality inside the contract of two PTA which are Värmlandstrafik AB as Sweden PTA and Directorate General of Railways (DGR) as Indonesian PTA. There are three main concern that we research from both PTA; the service quality, the contract, and the customer satisfaction. According to Yin (2003), the design for this condition called as multiple-case study. Within the multiple-case study there are two divisions which are holistic design and embedded design. As researcher see the three main concern of this research as embedded part in PTA as studied organization, therefore the research design of this thesis is multiple-case embedded design.
Reviewing the purpose of the thesis, indicate the missing item of service quality in contract researcher conduct the comparison analysis. This techniques in Yin (2003) stated as a cross case synthesis. Yin (2003) describes cross case analysis as technique which treats each individual case study as a separate study. This technique using the “word table” that display the data to make analyzing process easier in comparing each other, and of course, on the same pattern. From this word table the conclusion can be made.

1.6.3 Data Collection

According to Yin (2003), in case study methods there are six source of evidence. The six source of evidence are Documentation, Archival records, Interviews, Direct observations, Participant-observation, and Physical Artifacts. This thesis uses three sources of data which are documentation, archival record, and interviews. In documentation, the data researcher collected from official website of related organization, community mailing list, electronic literature that related to the subject of research, news from trusted sources, studies, and letters from related organization. In archival record, the data collections consist of organization records, the written contract, survey data, also maps and chart from both of organization. In interview, researcher interviewed representatives of related organization.

1.6.4 Thesis Structure

Chapter 1, with the intention of establishing an overall aim and research questions, describes, examines and summarizes problems in the empirical and theoretical aspects of the thesis. Chapter 2 presents the theoretical framework which consists of literature review and the background theory as research base analysis. With reference to the trustworthiness of the research then conclude by reflecting on the actual research process and the methodological insights gained.

Chapter 3 is empirical study. This chapter described the condition of railway operational in both countries, and about Värmlandstrafik AB and Indonesian railway PTA. In chapter 4, Researcher analysis the case study presents in chapter 3 and the comparison analysis, also the findings of the study.

In chapter 5, it is about the conclusion and the answers of research question. Furthermore this chapter discusses the managerial implications of this research and poses interesting questions for future research.

1.6.5 Reliability and Validity

The reliability and validity is used to establish the quality of the research. The reliability measurement of sources is primarily characterized by the differences between each categories of official document and qualified experts. The validity can be seen in relationship between method and theory. The validity of this thesis covers 3 type of validity; construct validity to establish the correct operational measure, internal validity to establish a causal relationship, and external validity to establish the domain of the findings (Yin, 2003). The triangulation for materials is rationale strategy for using multiple sources of evidences (Yin, 2003). Descombe (2007) explain that triangulation involves the practice of viewing things from more than one perspective. This can mean the use of different methods, different sources of data or even different researchers within the study. For this thesis the triangulation implemented for the data and analysis, between qualitative and quantitative method. The findings from each method are complemented. The use of triangulation focuses on the validation of the findings in terms of their accuracy and authenticity. It also produces complementary data that enhances the completeness of the findings. The opportunity to corroborate findings and the chance to see things from a different perspective can enhance the validity of data.
In this research there are quantitative data which become part of study and analyze together to have conclusion. The customer satisfaction survey is analyzed by quantitative methods which the result then combines with other supported data. The triangulation of quantitative data and qualitative data in this research was aims to have complete and deeper analysis which lead to findings. The reliability can be observed through the material references and cause-result relationships inside the thesis, the reliability of this thesis can be proved. The reliability and validity of this thesis is maintained from the triangulation of qualitative and quantitative data and methods within the thesis.

1.7 Outline of Thesis
Chapter 2

THEORETICAL AND EMPIRICAL FRAMEWORK

2.1 Public Transport as Service

Transport is a service rarely in demand for its own characteristics. Demand for public transport is usually derived from some other function (Cole, 2005). In Webster’s dictionary the following definition can be found:
“A product of human activity (e.g. transport, research) meant to satisfy a human need but not constituting an item of goods”

This definition corresponds with the assumed that service is intangible. As Zeithaml, Parasuraman and Berry (1990) noticed and summarized the characteristic of service into four characteristic:
1. Intangibility, service is intangible in contrast to physical products. Services are performances and experiences rather than objects. They cannot be seen, felt, tasted or touched like a physical product.
2. Heterogeneity, services are non-standardized. They are usually performed by human beings and the needs of the customers vary. The more people involved the more variations.
3. Inseparability, a service is generally consumed while performed; production and consumption cannot be separated.
4. Perishability, services cannot be stored. The capacity must be there when needed and overcapacity cannot be used later; it is difficult to synchronize supply and demand.

According to Edvarsons (1997), a service is viewed as part of the wider concept product. A product can consist of a commodity, a service, computer software or - more common- of a combination of these. A service is generated by a process. This process differs from processes in the production of goods, where as a rule the production process occurs at a time and place without the presence or participation of the customer. In the production of a service, on the other hand, the customer is often a co-producer and experiences what takes place in the "service factory". Customers always have the option to buy or not to buy, to choose between different services and various service providers. The service concept should be approached from the customer's point of view. It is the customer's perception and opinion of the process and the total result that "constitutes the service", forms the perception of quality and determines if the customer is satisfied or not. Moreover, the result is sometimes valued not only by the specific customer but also by people who just happen to be around.

As a service, public transport is “produced” in the customer’s presence: production (transport operation) is thus part of the customer relationship. Public transport’s special attributes uniquely highlight this relationship, while its operating conditions make performance uncertain and failures likely and visible. If the relationship is weak, customers will neither have faith in public transport nor make allowance for its failures. Simply put, public transport lives or dies on its relationship with customers. The market failure of public transport clearly in view, the striking fact is that it attracts too few customers – a seemingly trivial point, but a reminder that people are public transport’s market. That is, poor market numbers originate, not with dark economic forces, but with individuals who choose not to use public transport. Whatever the reasons for their choice, the point is that public transport can be revived only by re-gaining their favor. To do so, we must know transport’s human aspect and respect it. That is, we will not coerce or manipulate people into using what they don't want: we will not force public transport on them. We will make it work better, so that they come to prefer it (Bunting, 2003).
The factors that influence decision of travel, according to Button, K.J. (1993), for travelers or passenger and company are different. For travelers there are four factors which influence the travelers in choosing the mode of transport. There are trips time, financial cost, frequency, and quality of service (as seen in figure 2.1).

![Factors Decision of Travel (Button, 1993)](image)

2.2 Railways Operational

According to Indonesia Railways Law No.23 2005, Railway is united system which consist infrastructure, vehicle, and human resources, also norm, criteria, requirement, and procedure in order to operate railway as transportation mode. Railway operational consists of infrastructure and vehicle (freight and passenger train) operational. Railway infrastructure covers all the fixed installations on routes and stations which are required for the running of trains. The activities inside infrastructure area are infrastructure operational, construction, maintenance, and management. Railway operational consists of vehicles steered by a track on a dedicated area, which are governed by a signaling system. The activities inside vehicle operational are vehicle availabilities, vehicle operation, vehicle maintenance, and vehicle cultivation. Railways operator besides responsible in operate the vehicle, has also an obligation in taking care the vehicle so it will be in good condition. By deregulation of the railway market and the entrance of new operators, the industry ought to be more efficient. The aim of deregulation is to increase competition. However, competition can be achieved in various ways. There are competition for the market and competition in the market. Competition for the market means that there is a competitive tendering for the traffic and that the winning company gains a monopoly. According to economic theory, a competition market is supposed to be more efficient than a monopoly.

According to World Bank notes in June 1993, a key to private sector participation (PSP) in railways is separating or "unbundling" rail transport activities. One example is the separation of the ownership of fixed facilities (rails) from operations, as was done in Sweden. It relieves the railway of its base of fixed assets and long term debt, freeing it to function commercially; permits the establishment of profit and cost centers for improved financial information and accountability, makes the railway structurally more like competing modes; and enhances the opportunities for intramodal or intermodal competition. Decentralization is another way to break up the railway monolith. This is particularly appropriate for localized passenger (i.e. suburban or rural) services, which rarely cover costs, but which local governments may wish to
subsidize. Where the transport need is essentially local, decentralization promotes greater accountability and sensitivity and provides opportunities for private sector participation via contract operation (World Bank, 2005).

2.3 Service Quality

Quality has been defined as “provide for needs and fulfill expectations – the customers, the employees and the owners” (Olsen 1993, Carlsson 2001). The foundation of service quality theory lies in the product quality and customer satisfaction literature (Brandy & Cronin, 2001). Gronroos (1984) and Parasuraman et al. (1985) define service quality in terms of customer satisfaction; that is, the degree of fit between customers’ expectation and perceptions of service. Service quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis (Lewis and Booms, 1983). According to Edvardsson (1997), Service quality is realized in the service process, in many service encounters and since the customer is the ultimate judge of the service, customer orientation should be a central point of departure for all service development. This means placing the customer in the centre but not being governed in all respects by the customer and what he/she says. It is important to understand and respect the customer's needs, wishes and requirements but not to follow them slavishly.

The customer-oriented service company has insight into the customer's assessment criteria and acts on them. Parasuraman et al. (1988) has categorized the items of service quality into five items which known as SERVQUAL. Having knowledge of customer needs in each of the items and their response based on their experience can be a tool in measuring customer perceptions of service quality. An evaluation of the items may reveal attributes of service that are become customer priority and critical for ensuring high service quality. The SERVQUAL approach focused on assessing and understanding customers' perceptions of service quality. The description of SERVQUAL can be seen in Table 2.1.

<table>
<thead>
<tr>
<th>Items of Service Quality</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangibles</td>
<td>Physical facilities, equipment, and appearance of personnel</td>
</tr>
<tr>
<td>Reliability</td>
<td>Ability to perform the promised service dependably and accurately</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Willingness to help customers and provide prompt service</td>
</tr>
<tr>
<td>Assurance</td>
<td>Knowledge and courtesy of employees and their ability to inspire trust and confidence</td>
</tr>
<tr>
<td>Empathy</td>
<td>Caring, individualized attention the firm provides its customers</td>
</tr>
</tbody>
</table>

2.4 Service System and Resource Structure

According to Edvardsson (1997), in order to have well functioning service process needs service system. Service system includes the resources available to the process for realizing the service concept. By service concept, it means a description of the customer needs which are to be met and how these needs shall be met in the form of service content or design of the service package. Service system consists of:
1. Customers, this can be a company or private individual/household. The service system should be designed so it is easy for the customer not only to take part but also actively contributes to the process.

2. Organization structure and system, there are four aspect related to this item.
   a. The organizational structure which must have clearly define responsibility and authority in an appropriate manner, e.g. the division of activity and profit centers.
   b. The administrative support systems which play a key role in controlling the business, e.g. planning and information, financial system, etc.
   c. The interaction, dialogue with customers and other interested parties
   d. The organization of various activities connected with marketing. There are three important tasks in marketing that need to be organized and controlled.
      (i) Using market and customer analysis to understand the competitive situation, customer needs and demand, and customer logic
      (ii) Ensuring that realistic expectations are created.
      (iii) Teaching customer how to act/behave in the role of co-producer.

3. Management and staff, employees usually seen as the service company’s key resource. They represent the company quality of service. Employee’s performance has great influence to the customer perception about the company overall quality of service

4. Physical/technical resources include premises, hardware, technical systems, and other tangible equipment. Physical/technical resources create a favorable condition, increase the service and more profitable business deals.

![Figure 2.2 Model of the resource categories of the service system (Edvardsson, 1997)](image_url)

The service system can be divided into an interactive part, which is visible to the customer, and a support or back office part, which is invisible to the customer. Service system is affected or controlled by the business concept, the strategy, and the goals of the company. There are other influences that affected the service system; internal infrastructure in the form of resources and competence in other parts of the company, by distribution channels or strategic alliances with other companies, and the external infrastructure in the form of laws and regulation

2.5 Service Process

Edvardsson (1997) describes service process as chain or chains of parallel and sequential activities which must function if the service is to be produced. The service process partly consists of activities at partners’ and customers’ premises. The company does not have direct
control over all parts of the process but must be able to control the process in its entirety. To generate a service which meets the service concept in all respects, it is necessary to determine in detail the process which will ensure the right service. Quality and productivity must be built in from the beginning by developing the right service process.

![Service Process Diagram](image)

**Figure 2.3** Service Process (Edvardsson, 1997)

### 2.6 Service Quality in Railway Operation

TCQSM defined quality of service as the overall measured or perceived performance of transit service from the passenger's point of view. Transit quality of service measures reflects two important aspect of transit service: (1) the degree to which transit service is available to given locations and (2) the comfort and convenience of the service provided to passengers. TCQSM declare that service quality measure being discussed neither part of the traditional highway service quality measure that more concern on “condition experienced by vehicles” nor “economic performance” that concern on transit operator’s point of view (Transport Research Board, 2003)

There are terms in transit service field that should be described clearly before continue the discussion. TCQSM (2003) gives definition of the terms, as follow:

- **Transit performance measure**: a quantitative or qualitative factor used to evaluate a particular aspect of transit service.
- **Quality of service**: the overall measured or perceived performance of transit service from the passenger's point of view;
- **Transit service measure**: a quantitative performance measure that best describes a particular aspect of transit service and represents the passenger's point of view. It is also known as a measure of effectiveness;
- **Level of service**: designated ranges of values for a particular service measure, such as "A" (highest) to "F" (lowest), based on a transit passenger's perception of a particular aspect of transit service. (TCQSM, part 3, p.3-1).

We better put caution on term of transit performance measure (TPM) and transit service measure (TSM) to avoid confusion in definition. TCQSM distinguished the terms as follow (TCQSM, part 3, p.3-2):

- Service measures represent the passenger's point of view, while performance measures can reflect any number of points of view.
- In order to be useful to users, service measures should be relatively easy to measure and interpret. It is recognized, however, that system-wide measures will necessarily be more complex than stop-or route-level measures.
- Levels of service are developed only for service measures.
2.7 Performance measurement

Performance measures are used by transit agencies for three main reasons (TCRP report 88, 2003):

1. Because they are required to do so. Reporting and regulatory requirements will dictate a certain number of performance measures that will have to be reported. The measures that agencies are required to collect and report to the National Transit Database.

2. Because it is useful to the agency to do so. Agencies collect other measures to help identify how well service is being provided to their customers, the areas where improvement may be needed, and the effects of actions previously taken to improve performance. In these cases, agencies use performance measures to help provide service as efficiently as possible, monitor whether agency and community goals are being met, and—over time—improve service so that it attracts new riders. Changes in policy, procedures, and planning can result from an understanding and appraisal of certain measures.

3. Because others outside the agency need to know what is going on. Decision-making bodies, such as transit boards and funding bodies need to have access to accurate information to help them make decisions on where and when service should be provided and to support actions designed to improve performance. The public is also interested in knowing how well service is being provided and may need convincing that transit provides a valuable service, for them, for someone they know, or for the community as a whole.

Performance measurement describes the feedback or information on activities with respect to meeting customer expectations and strategic objectives. The purpose of performance measurement, then, is to motivate behavior leading to continuous improvement in customer satisfaction, flexibility, and productivity (Lynch, 1995).

TQCSM groups the factors that involved in transit service into certain categories. TQCAM (2003) defines the categories as follow (TQCAM, 2003):

- Availability: measures assessing how easily potential passengers can use transit for trips of various kinds;
- Service Monitoring: Assess measures that passengers' day-to-day experiences using transit;
- Community: measures of transit's role in meeting broad community objectives, and transit's impact on the community it serves;
- Travel Time: how long it takes to make a trip by transit, by itself, in comparison with another mode, or in comparison with an ideal value;
- Safety and Security: the likelihood that one will be involved in an accident (safety) or become a victim of crime (security) while using transit;
- Maintenance and Construction: the Effectiveness of the agency's maintenance program and the impacts of transit construction on passengers;
- Economic: measures of transit performance from a business perspective; and
- Capacity: the ability of transit facilities to move people and vehicles in transit.

TQCSM groups those categories become 2 main groups, consist of:

1. Availability, the item can be breakdown into the attribute of:
   - Service Coverage
     TQCSM (2003) argues that service coverage is important factor for choosing transit. The route of service should ease one to mobile, either from origin or to destination. For example, railway station should be easy to access by walking or bike and easy to access from bus shelter even for person with reduce ability.
• Scheduling
TQCSM (2003) acknowledges that scheduling related with how often the transit service is provided and when it is provided. This condition is related with many operated fleets and high frequency of fleet.

• Capacity
TQCSM (2003) describes that insufficient capacity can impact transit service availability. If a train is full when it arrives at a stop, transit service is not available at that time to the people waiting there. In demand-responsive service, capacity constraints take the form of service denials, where a trip cannot be provided at the requested time.

• Information
TQCSM (2003) argues that information is vital factor for transit. People must know which the transit should they took, how and when. People need information over whole transit in order to get reliable service. Operator should inform any information to the passengers through any possibilities.

2. Convenience and comfort
• Passenger Load
TQCSM (2003) describes that passenger load be able to reduce added value compare to private vehicle. This factor need more attention as TQCSM declares that operator should be smart to adjust “load factor”, based on supply and demand. When demand is low operator will set frequencies be low, vice versa.

• Reliability
TQCSM (2003) argues that reliability in transit service is matter of time that is “on-time performance” and “regularity of headway”. These problems could be influenced by internal and external operator’s management, such as traffic condition, road construction, vehicle and maintenance quality, transit preferential treatments, schedule achievability, evenness of passenger demand”, etc.

• Travel Time
TQCSM (2003) argues that travel time is one of consideration factor for choosing modes. If travel time of public transit is less than private vehicle, one will choose public transit. Thus, public transit should have added value to become people reference.

• Safety and Security
TQCSM (2003) describes that safety and security in transit is whole part from step on the shelter stairs until travel with the bus safely and secure from criminal action.

• Cost
TQCSM suggest that when passenger has plan to mobile somewhere, one will compare “cost out-of-pocket and value” each mode.

• Appearance and Comfort
TQCSM (2003) describes appearance factor as cleanliness and neatness of vehicle and shelter. Appearance condition can either attract customer or instead unwilling to use transit. Appearance is reflection of management concern to transit service. TQCSM (2003) declares that comfort is related with personal comfort feeling, such as appropriate climate control (air conditioner, heater), seat comfort, and ride comfort. More comfort they felt more consideration to use public transit.

2.8 Customer Satisfaction

In research report by Margarita Friman (1998), taking from Oliver (1997), satisfaction or dissatisfaction result from a comparison of expectations with actual performance. The direct link between expectations and satisfaction represents an assimilation effect, whereas the
direct link between performance and satisfaction represents a direct effect of performance not mediated by disconfirmation. It is generally assumed that satisfaction judgment originates in a comparison of the performance perceived by the person with some form of evaluative standard (Friman, 1998). Typically, this standard is formed by persons’ expectations that in a comparison yield disconfirmation beliefs. The customer is the judge of service quality, and it is nearly always people who deliver service. As Jacques Horovitz (1990) says, ‘Services exist in human experience. For service industries service consists of two dimensions: basic features sought by the customer and the service experience at the time of consumption’. Customer satisfaction is how customers view an organization’s products or services in light of their experiences with that organization (or product), as well as by comparison with what they have heard or seen about other companies or organizations (Szwarc, 2005). Satisfaction in consumer research is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfillment (Oliver, 1997).

Satisfaction concerns “global” judgments or attitudes regarding the service provided that are formed subjectively by the service user. In other words, service quality is “what the customer says it is” (Philip and Stewart, 1999). The case for regarding service quality as an antecedent of satisfaction rests on the proposition that, because satisfaction evaluations involve affective, cognitive or emotional responses (Oliver, 1989), a service can only be appraised (i.e. satisfaction or dissatisfaction assessed) after it has been perceived and interpreted, implying that service quality precedes satisfaction (Lee et al., 2000). On the other hand, perceptions of service quality develop over time, not from a single encounter. Each of a series of contacts with an organization reveals something about the service provider’s abilities (Shemwell et al., 1998). If the client is satisfied with every interaction, then eventually the person will come to regard the service as being of high quality (Bennett & Barkensjo, 2004). Quality and service are the means to the ends of satisfaction and retention (Gerson, 1993).

An area of concern among all traffic agencies is to what extent it is possible to accommodate the service according to the customer needs, since it is expensive as well as not realistic to satisfy all customers. It is important to be able to decide whether it is a perception or objective problem (Carlsson, 2001). An important clue to the nature of failure of public transport is the way people speak about public transport not working. To a typical public transport customer, it means poor service: too few buses and trains, too often late or cancelled, dirty and unattractive stations, surly drivers and ticket agents, inadequate provision for people with disabilities. To a taxpayer who pays for deficits racked up by public transport, it means revenues that are too low and costs that are too high (Bunting, 2003). Customer satisfaction is based on the level of service, but public investment is limited. Communication with customers is very important. This communication should focus on providing information on current conditions and future plans. It should be used to obtain feedback from customers, input on possible projects, and ideas for new activities. A number of issues should be considered in monitoring customer satisfaction levels and communicating with the public. The ability to change customer satisfaction levels depends on the ability to make changes and improvements in services. These services can be divided into two groups—providing the right service and providing attractive service. Both types of services need to be addressed to improve customer satisfaction. (USA Transport Board conferences, 2008)

2.9 Contractual Governance

Contracts are important in business-to-business relationship because they specify agreements, reduce uncertainty and risk, and serve as a communication tool (Roxenhall, 2004). Moreover, as legal written documents, contracts constitute a foundation for measurement and control of
business performance (Bryntse, 2000). In USA public transport, usually called transit system, most transit service contracts are highly prescriptive and detailed agreements. They not only define the kinds of services to be offered, but also prescribe how those services are to be provided; how service quantity and quality are to be measured and monitored; and who will provide the vehicles, facilities, maintenance, and support services. Such specificity is often necessary to convey the multifaceted and sometimes intangible attributes of transit service, such as customer care. The survey findings suggest that detailed contracts are especially important as a means of ensuring that all parties understand each other’s responsibilities and expected performance (National Research Council, 2001).

In term of Public Service Obligation which government gives for railway as public transportation, Bill Grant (2008) stated that the contract does need to recognize responsibilities and restraint on government agencies. The reality is that, as more government money flows in one direction, the more restraints that get attached to the funding. Transport is a dynamic area, but sometimes government moves more slowly. At the same time, the contracts need to be able to deal with emerging issues (e.g. community expectation changes, systems improvements, funding changes). The contract should have the ability to move as the society moves along. Services are what the contract is all about. Service areas should be based on travel patterns, and local and regional services should be integrated. Service coordination is also needed within region, within adjoining operators and with other modes. Consultation and cooperation should be promoted, and joint operation should also be allowed by certain arrangements. Service review triggers should be built based on passenger demand or urban development, which also need regular cycles. It is fundamental to meet government policy objectives. For funding to come flow through, to reflect whole-of-government priorities (e.g. environmental, metro planning, social equity) is significant. It is also important to align with central agency interests (e.g. accountability, risk allocation). Opportunities for community involvement or feedback should also be allowed in service planning and delivery. Government, community, public transport agency, operator may have different and potentially conflicting views on the ideal contract. Therefore, there should be workable, practical document balancing these interests. To build a sound relationship, the contract must be the primary relationship document, which does provide a clear commercial relationship, be underpinned by solid risk analysis, and integrate funding, service planning, and contract terms.

According Johansson (2000), there are two main types of contract in public transport:

1. Gross Contract, which means that a transport company’s tender only contain the cost of carrying out public transport within a stated geographical area. The responsible transport authority plans and markets the public transport. Fares go in their entirety to the responsible transport authority, while the transport company receives compensation for public transport carried out. The gross contract is the completely dominant form of procurement.

2. Net contract, which means that the transport company’s tender is based on fares less the cost of running public transport. In this case fares fall to the transport company, which within certain stated limits will also plan, market and produce public transport.

The contracts between regional transport authorities and operators are in most cases of the gross-contract type, i.e. the operator runs the buses and gets remunerated with a gross sum of money per year. All ticket revenues go to the transport authority. Planning of schedules and connections as well as marketing is carried out by the authority, through its fully owned company. There has been a general interest in developing contract into net-a-contract, i.e. the operator is paid on a net basis and this company takes the revenues from passengers directly (Carlsson, 2001).
Mark Burton (2008) concludes that there is no single answer to the ideal contract. Each jurisdiction is affected by its own history, business environment and political environment. The most important issue is to clarify goals, and a contract should be set to achieve them. Moreover he describes, the contract scope should be based on customers’ needs, not on ideology. The area works well particularly for local services, mainly because of (1) flexibility to redeploy resources and to adapt to market change, (2) custodial relationships with the community, which operators become part of the community where they operate, and respond and link to stakeholders in that community, (3) natural geographic boundaries and catchments/attractors relationship. Referring to the ideal term, the performance based approach is preferred. Good performance could be rewarded by an extension of term or another term. Related to performance, it should be linked to meaningful financial outcomes. Key Performances indicator should be set based on both service providers and purchasers/regulated. It should be focus on customer satisfaction and consider the service that customers get.

In designing the regulatory contract, a key design question is: what should be the specific elements of the obligation to serve? In most countries, it is generally accepted that the loose “universal public service obligation” that was adequate for the state enterprise (probably because it was neither contested nor enforced) will have to be replaced with a more precise definition of obligation to serve for private companies. The new definition must answer the following questions: (1) Who must be served, (2) What are the initial and phased in technical and commercial standards for service, (3) What are the penalties if the company fails to meet these standards, (4) Are excuses allowed. The regulatory contract, whether it is a concession or a license, has to give clear answers to these questions (Bakovic, 2003).

2.10 Stakeholder Relationship

According to Crane and Matten (2007), a stakeholder of a corporation is an individual or group which either: is harmed by, or benefits from, the corporation; or whose right can be violated, or have to be respected, by the corporation (PPP Swedia). According to Enquist (1999), there are four actors involves as stakeholder of public transportation. First is the government, the owner or the authority responsible, representing political level. Second is the PTA, the executive management of a regional public transport company. Third is the provider who are contracted to provide the services. Fourth is the citizen/customer as the one that using the services. The stakeholders of the network are driven by different interest; the common good of the principals, the internal efficiencies of the PTA and the customer satisfaction and external efficiencies of the contractors. Alasdair Roberts concludes that government wide performance monitoring is more likely to be effective (a) when it is done in smaller, more homogeneous communities and (b) when the task of selecting outcomes to be measured is left to a body that is partly or wholly independent of government (TCRP report 130, 2009).

The collaboration between PTA and provider is regulated via a strict contractual relationship. In a more interactive process where different actors must collaborate within the framework of a more service and customer - oriented approach, the actors in the support function must possess new skills enabling them to interact with the purchaser (Enquist, 2005). In this collaboration of public services, contractual governance skills must be developed (Bryntse, 2000). In order to develop a more dynamic concept of a performance management framework, three control techniques have to interact: formal contract, budget, and multi-performance measurement systems (Enquist et al., 2005). In the customer perspective, the dialogue with the customer is considered important. In the society perspective accountability and societal benefit are essential. Finally, in the contractor perspective, the contract, the types of contracts,
and the levels of expertise are highlighted and discussed (2003: 67 and 2001:106, Enquist 2005).

![Figure 2.4 Public Transport as a value – creating network (Enquist et Al., 2005)](image)

2.11 Service Quality Gap

The Service quality model is a conceptual model developed to qualitatively measure service quality from SERVQUAL dimension. The gap model identifies five organizational gaps within the process of service design and delivery that cause deficits in quality, leading to customers’ dissatisfaction. It conveys a clear message to managers wishing to improve quality of service.

Consumer expectation – management perception gap (Gap 1):

Service firm executives may not always understand what features connote high quality to consumers in advance. What features a service must have in order to meet consumer needs, and what levels of performance on those features are needed to deliver high quality service. The gap between consumer expectations and management perceptions of those expectations will have an impact on the consumer’s evaluation of service quality.

Management perception – service quality specification gap (Gap 2):

There are some constraints which prevent provider from delivering what the consumer expects. In numerous situations, knowledge of consumer expectations exists but the perceived means to deliver to expectations apparently do not. Another reason for the gap established for a service is the absence of total management commitment to service quality. The gap between management perceptions and the firm’s service quality specifications will affect service quality from the consumer’s viewpoint.

Service quality specifications – service delivery gap (Gap 3):

Even though every firm had formal standards or specifications for maintaining service quality, high quality service performance may not be a certainty. The difficulty in adhering the standards is due to the variability in employee performance. The gap between service quality specifications and actual service delivery will affect service quality from the consumer’s standpoint.
Service delivery – external communications gap (Gap 4):
Media advertising and other communications by a firm can affect consumer expectations. The firm must be certain not to promise more in communications that it can deliver in reality. Promising more than can be delivered will raise initial expectations but lower perceptions of quality when the promises are not fulfilled. The gap between actual service delivery and external communications about the service will affect service quality from a consumer’s standpoint.

Expected service – perceived service gap (Gap 5):
The key to ensuring good service quality is meeting or exceeding what consumers expect from the service. It appears that judgments of high and low service quality depend on how consumers perceive the actual service performance in the context of what they expected. The quality that a consumer perceives in a service is a function of the magnitude and direction of the gap between expected service and perceived service. The key to closing Gap 5 is to close Gap 1 through 4 and keep them closed.
3.1 Indonesian Railways

Railway as one of the transportation mode in Indonesia is regulated and authorize by Ministry of Transportation Government of Indonesia. The ministry delegates the task to Directorate General of Railway (DGR). DGR responsibilities consist of area that related to railway such as infrastructure, vehicle, traffic, operational and maintenance standard, and regulation. DGR task consist of relationship to the operator which are making agreement, negotiation, set regulation and standard, performance evaluation, and maintaining relationship between government, people, and operator. There are three Directorates inside the DGR; Directorate of Railway infrastructure is handling all related subject with the infrastructure and network construction, Directorate of Railway Traffic and Transport is handling all related subject with traffic, network operational, time table, and services, Directorate of Railway Safety and Vehicle is handling all related subject with railway safety and vehicle performance. The Directorates have direct coordination with the operator as the railway service provider. The vision of Directorate General of Railways is to establish mass transportation for passenger and freight that reliable, secure, safe, trustworthy and affordable. The missions are to improve railway as public transportation, backbone of freight transport, and as pioneer in creating integrated transportation.

![Coordination Structure of Directorate General of Railway](image)

Figure 3.1 Coordination Structure of Directorate General of Railway

The effectiveness and efficiency of public transport operational is stimulated by the aim of the transport policy, which is to secure an economically efficient and sustainable provision and development of the transport system. This aim is divided into five sub aims:

2. Gives services for passenger and freight transportation which suitable with each characteristic and cover all Indonesia area.
3. Increasing the mobility efficiency of passenger and freight inland with the competition perspective and integration with other mode.
4. Increase the market share of passenger and freight transportation in public transportation.
5. Increase the service quality of national railways through speed, time journey, trip frequency and punctuality.

The target of railway operational is to improve the capacity, punctuality, safety, service, accessibility, and integration with other mode. In order to establish the target, DGR set two policies. First, increase the role of private company to join in the business of railways as mass public transportation. Second, increase the role of railway as mass public transportation. At present there is only one railway operator that operates in railway operational.

![Organization hierarchy of PT. Kereta Api Indonesia, Tbk.](image)

PT. Kereta Api Indonesia, Tbk (PT. KAI) is the main operator for railway in Indonesia. PT.KAI is a State-owned Company which in their operational related to Ministry of Transportation for technical operational and as railway contractor, and to Ministry of State-owned Company for company management because PT. KAI is a state-owned company. PT. KAI has been monopoly the railway industry and provides rail services (suburban and inter-city passenger and freight) in Indonesia. It is responsible for train operations and maintainences. PT.KAI also owns and operates three affiliated companies; the on-board train restaurant PT. Restorasi Kereta Api (PT. RESKA), Joint Venture Cooperation (JVCo) which handling infrastructure of airport shuttle train (Soeta Railink), and PT. KAI Commuter Jabodetabek (PT. KCJ) as commuter operator in Jabodetabek area.

<table>
<thead>
<tr>
<th>Year</th>
<th>The Services (passenger in thousand)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Commercial</td>
<td>Economic</td>
</tr>
<tr>
<td>2003</td>
<td>14204</td>
<td>37089</td>
</tr>
<tr>
<td>2004</td>
<td>14072</td>
<td>35344</td>
</tr>
<tr>
<td>2005</td>
<td>13419</td>
<td>37100</td>
</tr>
<tr>
<td>2006</td>
<td>12237</td>
<td>44630</td>
</tr>
<tr>
<td>2007</td>
<td>14898</td>
<td>41464</td>
</tr>
</tbody>
</table>

In doing the core business, PT KAI set a total of 9 Operational Region (DAOP I Jakarta, DAOP II Bandung, DAOP III Cirebon, DAOP IV Semarang, DAOP V Purwokerto, DAOP VI Yogyakarta, DAOP VII Madiun, DAOP VIII Surabaya, and DAOP IX Jember) and 3 Regional Division (DIVRE I
Sumatra Utara, DIVRE II Sumatra Barat, and DIVRE III Sumatra Selatan), which responsible in maintaining the infrastructure and the operational of railways. Production of railway passengers in Java and Sumatra by trace can be reviewed in Table 3.1. The Operational Region of Jakarta and coal freight in Sumatra are currently the only part of PT.KAI operational area that is operating profitably and is cross-subsiding railway operations.

PT.KAI receives subsidies from the Government of Indonesia for the operational of economic passenger rail services. The subsidies are defined in terms of a Public Service Obligation (PSO) supported by an agreement called Public Service Contract (PSC). PSO is a government obligation to provide railway services to the community with an affordable tariff. In particular, the subsidies are paid by Government for rolling stock maintenance and also to cover operational cost for economic train services, paid in every four months after the performance evaluation conducted by DGR. Each year the amount of PSO increased and the amounts can cover the operational cost. However, the quality of the service has not been able to satisfy railway passengers. The amount of PSO in 2003-2008 can be seen in figure 3.3

![Figure 3.3](image)

<table>
<thead>
<tr>
<th>Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSO Amount (million rupiah)</td>
<td>106,200</td>
<td>140,000</td>
<td>270,000</td>
<td>350,000</td>
<td>425,000</td>
<td>435,000</td>
</tr>
</tbody>
</table>

3.1.1 Transportation of Jabodetabek

Jabodetabek is abbreviation for Jakarta, Bogor, Depok, Tangerang, and Bekasi. According to statistic data in 2007 the population of Bogor municipalities and city is 4,420,169 people, Depok city is 1,490,000 people, Tangerang city is 3,435,205 people, Bekasi city is 1,914,316 people, and Province Jakarta is 8,961,680 people. Jakarta as capital city of Indonesia has become attraction area for four hinterland area surrounding; Bogor, Depok, Tangerang, and Bekasi. There are many residents in Bogor, Depok, Tangerang, and Bekasi working in Jakarta. People that live in hinterland area and doing activities in Jakarta have to travel back and forward to Jakarta everyday especially in working days. This can be observed from the statistic number of trip in Jakarta area. The number of vehicles that operated in the Jakarta roads during 2007 was counted totaling 7,773,957, that consists of motorcycle vehicle 5,136,619 units, car 1,816,702 units, bus 316,896, and other vehicle 503,740 (BPS Jakarta, 2008). From the total of those, public transport only shared 2% from all vehicles in Jakarta.
Transportation in Jabodetabek as urban area is complex because of the modes involved, the multitude of origins and destinations, and the amount and variety of traffic. Traditionally, the focus of urban transportation has been on passengers as cities were viewed as locations of utmost human interactions with intricate traffic patterns linked to commuting, commercial transactions and leisure/cultural activities. However, cities are also locations of production, consumption and distribution, activities linked to movements of freight. Conceptually, the urban transport system is intricately linked with urban form and spatial structure. Urban transit is an important dimension of mobility, notably in high density areas. In urban area with high population and spread resources, railway becomes public transport that can accommodate the need for high mobility, wide coverage, and rapid travel time.

3.1.2 Jabodetabek Commuter Railways Operation

The operational of railway in Jabodetabek area is under management of PT.KAI Operational Area I which covers all railways services in Province DKI Jakarta, Province Banten, also 3 cities and 3 regions within the administration area of Province West Java (Depok city and region, Bekasi city and region, also Bogor city and region). The operational not only cover local train but also regional train that departures and arrival in the region, in operational and infrastructure maintenance. In 2008, due to the increasing of commuter demand in local area of Jabodetabek, the section of Jabodetabek commuter established into affiliated company called PT Kereta Api Commuter Jabodetabek (PT. KCJ), based on President Decree No. 5 on 2008 and Letter of Ministry of State Own Enterprises No. S-653/MBU/2008 on 12 August 2008. The operational of PT. KCJ has separated from PT KAI in official inaugurated since April 2009. This affiliated company operational independently and become operator of commuter train in Jabodetabek area.

3.1.2.1 Railway Network

PT. KCJ operates 343,895 km electricity line and track. There are several lines which operated in Jabodetabek area. The railway network in Jabodetabek area connects hinterland area with Province DKI Jakarta. The railway network map of operational lines in Jabodetabek can be seen in figure 3.5. At present, the Jabodetabek rail network faces fatigue condition. With available track condition the train speed and frequency is limited. The service routes of Jabodetabek commuter consists of:

- South Line, with route Bogor – Depok – Manggarai (44,92 km)
- Central line with route Manggarai-Gambir-Kota (9,89 km)
- Bekasi Line with route Bekasi-Jatinegara (14,802 km)
- Serpong Line with route Serpong – Tanah Abang (23,278 km)
- Tangerang Line with route Duri – Tangerang (19,297 km)
- Tanjung Priok Line with route Tanjung Priok – Kota (8,115 km)
3.1.2.2 The Stations

There are 70 stations which become the responsible of PT. KCJ and DAOP I PT. KAI. The stations that become full responsible of PT. KCJ are the stations specific only to serves or stop by commuter train. The name of the stations can be seen in Figure 3.6. The symbol of circle represents the small station and the square represents the large station or central station. The station is in form of building and divided into the administration office, ticket counter, lobby and emplacement.

The emplacement in some station is lower than the train entrance door and some in the same level with train entrance door. The length of the emplacement in some of the station is not as long as the train length. This can causes accident and difficulties for the passenger that going on-board and off board. This condition also prevents person who disabled and elderly to use railway in their mobility. The stations condition that in open access give advantages for passenger with no ticket to get into the train, especially in peak hours with so many passenger make the operator ticketing staff have difficulties to check ticket from all passenger.
3.1.2.3 The vehicles

PT. KCJ operates 395 units electric train (KRL) for commuter services. Most of the trains which used in Jabodetabek are given by Government of Japan. There are also trains which produced by the local company called KRL 1 INKA. There are three type of commuter train; commuter economic non AC, Commuter economic AC and commuter express AC. The commuter economic non AC and Commuter economic AC are trains that included in government subsidy. The commuter express AC is train that operates by PT. KCJ with their own expenses. One set of commuter train consist of 8 trains. The passenger capacity for one train is 200 passengers. The load capacity of commuter Jabodetabek at this present can carry out 325,000 passengers a day. The numbers of vehicle at this present has not met the people expectations, because the availability is not comparable with the numbers of passenger in peak time. It affected the passenger comfort and the availability.
3.1.2.4 Trip Tariff and Ticket Counter

Tariff for every commuter service is differentiating by origin-destination and type of service. Passengers of economic train pay less than the actual price because the government gives subsidies for economic train. Average tariff for commuter economic non AC is Rp. 2000, for commuter economic AC is Rp. 4500, and for commuter express is Rp. 9000. Ticketing process is handled by operator and goes directly to company revenue. The tariff for economic services is determined by Government and the amount is adjusted with the public’s ability to pay.

The ticket for commuter passenger is available in retail and periodic. Retail ticket is in form of paper and periodic in form of periodic card. But because in checking ticket process the operator still do it in manual many of passenger with no ticket in peak hours easily get into the train without afraid to be caught by the operator staff. Moreover, when the capacity of the train has reach maximum the area for the operator ticket staff to check each of the passenger almost impossible. This make the operator lost Rp. 250 million everyday (www.tempointeraktif.com). The condition is inconvenience for the passenger with ticket and a big lost for the operator.
3.1.2.5 Service and Operational Hours

The type of commuter train divided into economic AC, economic non AC and express train. These three services differentiated by time of operation, stopping station, and travel time. Because the economic AC and non AC are the government obligation, the standard of service is determined by government and tied in contract. The standard is called the minimum standard of services. The service standard for express train is determined by operator. The travel time for economic commuter train is more than the travel time of express as for the commuter economic train must stop in almost every station it passed by. The travel time is sometimes disturbed by baulk economic train. The delay can take more than 30 minutes.

The Jabodetabek commuter trains operation starts at 4.30 am from Bogor, 5 am from Serpong, and around 6 am from Bekasi and Tangerang. Since 2008, in order to accommodate the demand from workers in Jabodetabek area, the commuter economic AC trains which operate on Jakarta–Bogor, Jakarta–Depok, Jakarta–Bekasi, Manggarai–Tangerang and Manggarai–Serpong operates until 11 pm.

3.1.2.6 Financial System

PT. KCJ revenues come from ticket selling and subsidy from Government as payment for providing economic train. Ticket selling covers around 50% of total operating cost and the remaining 50% of from total operating cost is covered by subsidy. The revenues from ticket selling and subsidies become revenue for the operator. The subsidy is paid gradually at the end of every four month after performance evaluation by DGR. The administration process in withdraw the subsidy make the operator receive the payment in the next term.

3.1.3 Customer Satisfaction Index

The customer satisfaction survey is conducted in aim to know the real demand of the passenger and to measure service quality of commuter railway operational in Jabodetabek area. The survey is in non-probability sampling. Respondent are chosen from the population of interest because they have certain traits or qualities. A stated-preference method was employed to investigate the satisfaction level of Jabodetabek commuter train with consideration of service quality factors. The process in collecting the data is using self-completion questionnaires. The self-completion questionnaires was delivered via email and sent to the member of Jabodetabek urban city railway website and the user of the commuter train in Jabodetabek area. From 500 questioners that sent, 214 sample/people participate in answering the questioner. The analysis technique that use to in this survey is regression analysis in finding correlation between attributes and main item of service quality. In this survey the main item that want to research are performance, reliability, quality, and satisfaction. First step was examining the factor structure of the ratings of current attribute-specific satisfaction. The dependent variable in analysis is the overall performance satisfaction and 11 attributes of independent variables which the survey observed; safety and security, equipment and vehicle, operator competency, ticket price, customer service, service control, frequency, service information, performance vs. price, failure recovery, travel time and appearance. Statistical tools of Microsoft excel and SPSS were used for data input and analysis. Data Analysis was conducted in three steps; first, Descriptive statistic was conducted to analyze sample and the satisfaction level for each items. Second, correlation analysis was undertaken to measure linear correlation between variables. Third, a regression analysis was performed to evaluate the contribution of each factor on overall satisfaction.
Descriptive of customer satisfaction survey are analyze in advance. The respondents origin base are; 22% from Jakarta, 33.2% from Bogor, 22% from Tangerang, 10.7% from Bekasi, and 12.1% from Depok. The age range of respondents consisted of 6.5% age of 15-20, 15.4% age of 21-25, 47.2% age of 26-35, 22.9% age of 36-45, 7% age of 46-60, and 0.9% age above 61. The respondents working field; 13.1% of the respondents were students, 22.9% public employee, 57% worked in the private sector, 6.5% worked at home, and 0.5% were unemployed. 84.1% of the respondents have driving license. The respondents use train; 74.3% traveled to work, 14% traveled to school; 2.3% traveled to shopping, 3.7% traveled to recreation, 5.6% were other trips. There are 75.2% respondents own private vehicle while 24.8% not own private vehicle. The respondents commute with train in one week; 47.2% respondents commute not more than 8 trip, 44.4% respondents commute 12-8 trip, and 8.4% respondents commute more than 12 trip. The commuter services that they usually use are; commuter express (19.6%), commuter economic AC (29%), commuter economic non AC (9.8%), and all of three services (41.6%). The amounts of trip in one week are; 47.2% not more than 8 times, 44.4% between 12 to 8 times, 8.4% more than 12 times.

Correlation analysis was performed in order to understand how the specific service quality attributes relate to overall customer satisfaction. Table shows that all specific service quality attributes have a significant positive relation with overall satisfaction (p<0.001). This means that when satisfaction with a specific service quality attributes increases, overall satisfaction increase too. Equipment and vehicle (r = .897, p <001), safety and security (r = .840, p <0.01), competency (r = .731, p < .001), travel time and appearance (r =.509, p <0.01) have the high relation to overall satisfaction (r>0.5). Other attributes that influences overall satisfaction; frequency (r = .441, p < .001), failure recovery (r = .439, p < .001), performance vs. price (r = .431, p <.001), customer service (r = .394, p < .001), service control (r = .365, p < .001), ticket price (r = .327, p < .001), and service information (r = .731, p < .001). From descriptive statistic analysis table in Appendix we can see that 40.2% passenger of Jabodetabek commuter railway is almost satisfied with the service and only 6.5% passenger that satisfied. This means that the level of service in Jabodetabek commuter railway is still low. The condition of 40.2% passenger almost satisfied can be influenced by the ticket price as the attributes of performance vs. price shows the relationship between performance and ticket price especially for passenger of economic train. The data of attribute performance vs. price shows that 1.9% passengers was very satisfied, 21% passengers was satisfied, 39.7% passengers was almost satisfied, 28% passengers was less satisfied, and 9.3% passengers was indifferent. This attribute shows that passengers felt that the service that they received equal with the price that they paid.

Table 3.2 Attributes of Service Quality in Overall Satisfaction

<table>
<thead>
<tr>
<th>Attributes of Satisfaction</th>
<th>VS</th>
<th>S</th>
<th>AS</th>
<th>LS</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Overall Performance</td>
<td>-</td>
<td>-</td>
<td>14</td>
<td>6.5</td>
<td>86</td>
</tr>
<tr>
<td>Safety &amp; security (Q1)</td>
<td>-</td>
<td>-</td>
<td>12</td>
<td>5.6</td>
<td>90</td>
</tr>
<tr>
<td>Equipment &amp; vehicle (Q2)</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>7.0</td>
<td>74</td>
</tr>
<tr>
<td>Competency (Q3)</td>
<td>-</td>
<td>-</td>
<td>32</td>
<td>15.0</td>
<td>69</td>
</tr>
<tr>
<td>Ticket price (Q4)</td>
<td>4</td>
<td>1.9</td>
<td>137</td>
<td>64.0</td>
<td>38</td>
</tr>
</tbody>
</table>
### Attributes of Satisfaction

<table>
<thead>
<tr>
<th>Attributes of Satisfaction</th>
<th>VS</th>
<th>S</th>
<th>AS</th>
<th>LS</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Customer service (Q5)</td>
<td></td>
<td></td>
<td>16</td>
<td>7,5</td>
<td>58</td>
</tr>
<tr>
<td>Service Control (Q6)</td>
<td></td>
<td></td>
<td>27</td>
<td>12,6</td>
<td>71</td>
</tr>
<tr>
<td>Frequency (Q7)</td>
<td></td>
<td></td>
<td>78</td>
<td>36,4</td>
<td>53</td>
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<tr>
<td>Service information (Q8)</td>
<td></td>
<td></td>
<td>16</td>
<td>7,5</td>
<td>72</td>
</tr>
<tr>
<td>Performance vs. Price (Q9)</td>
<td></td>
<td></td>
<td>4</td>
<td>1,9</td>
<td>45</td>
</tr>
<tr>
<td>Failure recovery (Q10)</td>
<td></td>
<td></td>
<td>15</td>
<td>7,0</td>
<td>59</td>
</tr>
<tr>
<td>Travel time &amp; appearance (Q11)</td>
<td></td>
<td></td>
<td>40</td>
<td>18,7</td>
<td>72</td>
</tr>
</tbody>
</table>

VS: Very Satisfied
S: Satisfied
AS: Almost Satisfied
LS: Less Satisfied
I: Indifferent

The regression analysis for overall satisfaction conducted to 11 attributes that categorized into 5 groups; reliability (travel time & appearance), tangibles (frequency, equipment & vehicle), responsiveness (customer service, failure recovery), assurances (safety & security, competency), and empathy (ticket price, service control, service information). The regression equity for the overall satisfaction is \( Y = -0.064 + (0.062 \times \text{reliability}) + (0.289 \times \text{tangibles}) + (0.084 \times \text{responsiveness}) + (0.606 \times \text{assurances}) + (-0.043 \times \text{empathy}) \). These service quality items accounted for more than half of variance in overall satisfaction (\( R^2 = 0.770 \)), which was highly significant \( F = 139.534, p< .001 \). For items reliability, tangibles, responsiveness, and assurances have a positive beta value indicating positive relationships. The items of tangibles (\( \beta = 0.273, p = 0.001 \)) and the assurance (\( \beta = 0.590, p = 0.001 \)) demonstrated a significant effect on overall customer satisfaction with commuter railway service in Jabodetabek area. The standardized regression coefficients showed that assurance was a stronger predictor than tangibles item.
Table 3.3  The Correlations between service qualities attributes, Means (M) and Standardized Deviation (SD)

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q5</th>
<th>Q6</th>
<th>Q7</th>
<th>Q8</th>
<th>Q9</th>
<th>Q10</th>
<th>Q11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall performance</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety &amp; security (Q1)</td>
<td>0,840</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>equipment (Q2)</td>
<td>0,897</td>
<td>0,852</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competency (Q3)</td>
<td>0,731</td>
<td>0,679</td>
<td>0,726</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticket price (Q4)</td>
<td>0,327</td>
<td>0,301</td>
<td>0,263</td>
<td>0,309</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer service (Q5)</td>
<td>0,394</td>
<td>0,312</td>
<td>0,381</td>
<td>0,530</td>
<td>0,197</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>service control (Q6)</td>
<td>0,365</td>
<td>0,314</td>
<td>0,345</td>
<td>0,380</td>
<td>0,203</td>
<td>0,346</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frequency (Q7)</td>
<td>0,441</td>
<td>0,394</td>
<td>0,430</td>
<td>0,440</td>
<td>0,231</td>
<td>0,280</td>
<td>0,357</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service information (Q8)</td>
<td>0,322</td>
<td>0,266</td>
<td>0,338</td>
<td>0,452</td>
<td>0,209</td>
<td>0,452</td>
<td>0,633</td>
<td>0,191</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance vs. Price (Q9)</td>
<td>0,431</td>
<td>0,343</td>
<td>0,288</td>
<td>0,455</td>
<td>0,376</td>
<td>0,427</td>
<td>0,269</td>
<td>0,346</td>
<td>0,333</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Failure recovery (Q10)</td>
<td>0,439</td>
<td>0,326</td>
<td>0,363</td>
<td>0,387</td>
<td>0,205</td>
<td>0,302</td>
<td>0,427</td>
<td>0,213</td>
<td>0,405</td>
<td>0,464</td>
<td>1,000</td>
</tr>
<tr>
<td>Travel time &amp; appearance (Q11)</td>
<td>0,509</td>
<td>0,528</td>
<td>0,436</td>
<td>0,408</td>
<td>0,200</td>
<td>0,348</td>
<td>0,428</td>
<td>0,336</td>
<td>0,355</td>
<td>0,486</td>
<td>0,350</td>
</tr>
</tbody>
</table>

| Mean                          | 2,37 | 2,36 | 2,30 | 2,45 | 3,47 | 2,22 | 2,42 | 2,88 | 2,31 | 2,78 | 2,12 | 2,57 |
| SD               | 0,833 | 0,827 | 0,848 | 0,942 | 0,897 | 0,852 | 0,914 | 1,012 | 0,845 | 0,946 | 0,916 | 0,956 |

34
3.1.4 Contractual Governance

The service contract is a public service contract for economic railway service provision. The type of contract is a net contract where the payment is given every 4 months after each performance evaluation. The quality of service is defined through technical specifications and the fulfillment of tasks stated in the contract. The service contract consists of the main document and appendix, which describe specific details. The main document consists of:

1. The supported law which bases the agreement,
2. Definition of contractor and operator and their respective roles in delivering the service,
3. Specification of the scope of work and service,
4. Specification of the task characteristic and requirements that need to be obeyed by the operator and supported law related to the implementation of tasks,
5. Specification of the contract period (1 year) and the date of the agreement start and end,
6. The contract value,
7. The right and obligations of the contractor and operator,
8. The condition for payment and all valid contractual documents,
9. Specification about verification and audit of the performance,
10. Conditions for notice in the case of contractual agreements being broken (fine and calculation),
11. Definition of force majeure conditions that make the agreement broken,
12. Specification about tax and duty that attaches to the contract value,
13. Description about settlement of disputes,
14. Specification of addendum when there are changes in the implementation of the contract.

The contract appendix specifies the timetable, route, and performance evaluation items.

According to DGR’s representative, in general, operators fulfill the task in giving service as stated in the agreement and there is always an effort to provide better service. Every year, service standards are reviewed and followed by decreasing failure tolerance of service standards. In 2008, the failure tolerance is 10% and in 2009 it decreases to 5%. This means that the condition and level of service are increasing and getting better. In order to increase the performance, the items for service standards are added. In service contract 2009, the additional item of service standards relates to sanitation and hygiene items, not only onboard conditions but also facility.

3.1.5 Stakeholder Relationship

The relationship of the railway stakeholder in Indonesia is the relationship between four main actors: the government and the politician, the Directorate of Railway Traffic and Transport as the railway PTA, the operator, and the public as the customer. The relationship is described in Figure 4.2.

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The Government and Politician

As the autonomy authority of local was approved by the constitutional in 2004, the autonomy in the operational of railway so far has not been implemented by the local government. And even though the Railway Law has stated that the operational and management of public transport become local
government affair, but still in railways this changes not easy to be implemented. There still many problems which become obstacles in railway autonomy. Railway operational for regional area can be implemented more effective and efficient if this done by the local government. The statement is based by the thought that the local government has better knowledge and understanding in their community real condition and needs. The fact that the operational of railway require high budget and local government problem in determining the administration boundaries in railway lines, have make the operational and the management of railway, infrastructure and operation, in Indonesia still conducted by the central government. In making the decision and regulation the ministry must to have approval from the parliament. Parliament as the people’s voice has the right to influence the government in setting national transport policy, tariff, and standard services especially in case that related with subsidies.

In 2007, Government opens the railways field for private and for Public Private Partnership scheme. The aim is to encourage the spirit of fairness in area of business and to improve the Indonesian Railways. Competitors can also be used as a trigger to improve services. Society will have option in choosing operator. When operator of railway provides less service to the passenger, passenger themselves will move to another operator who give more benefit, as supporting base for the changes a new Railway Law has been made, which aims to allow other private companies to joint in managing and operating the infrastructure and operational of Indonesia Railways. The law supports the accountancy and core business separation of infrastructure and operations. The main focus of Government right now is railway revitalization project. This focus becomes the task of DGR as the part of government that have direct relationship with railways operator.

Public Transport Authority for Railway Operational

DGR is positioning as the PTA in railway operational. DGR establishes the agreement (contract) with operator, supervise the operational, and accommodate public aspiration. As railway PTA, DGR set the tariffs, time table, and operational lines. As government and part of Department of Transportation, it also the task of DGR to set the standard operational and other regulation related to railway. In order to control the performance and to see whether the operator fulfill their obligation, every four months PTA conducted an evaluation. The procedure of the evaluation and item that measured is verified in contract. The evaluation is also requirement to withdraw the subsidy. The main factor of service that become DGR focus and asked to operator are punctuality and comfort. Classic problems that often said as the reason why the level of service is decreasing are government’s and company’s limited budget, and lack of society awareness and concern in using public facility. At present, customer satisfaction is not used as determined factor in performance measurement. Present determined factors are technical specification and other specified item that stated in contract. At present, DGR relationship with operator and society is in good state and synergy. Each of party is positioning themselves playing active role in railway.

The Railway Operator

The relationship with DGR is based on service contract. The contract is between DGR and PT. KAI as the main corporation. Then the implementations of contract were breakdown into each operational area. As the main operator PT. KAI set the objective and target for overall operational affiliated company. The objectives and target than develop by each operational affiliated company and operational division adjusted with each field condition. PT. KAI in order to maintain relationship with public as the railway user provides customer representative to accommodate complains and problem related to the service that they give.

PT.KAI Commuter Jabodetabek has target of 2.2 million people per day in 2012. This is a high increasing from present passenger of 450,000 people. The company strategy in achieving target is with customer approach. The major problems according to the management consist of security and the
condition inside the train (comfort, cleanliness, security). The Director of PT KCJ said that to establish four main program of commuter train which is safety, security, comfortable, and punctuality, PT KCJ plan some changes in the operational (www.krl.co.id):

1. Gradually will replace economic non AC train to economic AC train. The old trains which often baulk is become the main reason of failure in achieving punctuality and disturbance to all time tables. The poor condition of old train also aggravates the image of operator professionalism.

2. The implementation of Electronic Ticketing (E-Ticketing) to increase the efficiency and effective financial administration also to eliminated passenger with no ticket.

3. Renovating 12 station which in poor condition. The conditions make it uncomfortable for passenger.

4. Improve road access to the station so passengers have easy access in using commuter train.

Public as Customer

Public is related to government because public choose the political and indirectly choose representative that seat in government. Public is related with DGR because railway as the public service transportation is regulated by DGR. Public also related with operator because operator gives public railway service. As economic class train passenger pay a low tariff the standard of service is minimal. DGR see that for economic train passenger satisfaction is measure from the price of trip and availability, therefore other service quality is not important for them. But this condition surely changing, the railway community today really concern with level of railway service and demand operator to be more concern with the service. Public as railway user felt that present service needs to be improved. Public want to be threat the same for any service they use.

3.1.6 Service Quality of Railway Operational Performance

In describing about level of service quality in Jabodetabek railway operation can be done by comparing the contents of service contract between DGR and operator with existing condition. The existing condition data is gain from the customer satisfaction Index (CSI) and also from railway operator and community website complaint database.

3.1.6.1 Reliability

The reliability is related with punctuality and travel time. The punctuality of present condition is still far from people expectation. From the complain database the punctuality performance is one of the problem that the passengers complain. The delay in railway operational happens when there is obstacles that make the train stop or hold up the speed. The baulk of old commuter economic non AC is one of the factor. There are also some technical problems that causing delay in commuter railway operational such as electricity shortage. This led to traffic jam when another train coming into the line. The signaling can also become the cause of delay. Without signaling the train driver have no sign about the lines situation and the driver would not taking risk to endanger the operational.

There are 3 conditions that can influence passenger travel time; waiting time, number of operated fleets, and the vehicle speed. Based on the customer satisfaction index, 72% of passenger almost satisfied with the travel time this because train travel time is less than travel time with other transport mode. This happen because railway free from traffic jam.

The service contract stated about the punctuality and travel time. The operational for each economic train have fixed and regular schedule. The maximum delay tolerance for urban railway is 20% from overall travel time. The travel time and scheduled is transfer to railway traffic time graphic (GAPEKA), a schedule map for all train. It also stated in contract that other supported law about operational regulate the implementation.
Table 3.4  Performance Report 2003-2007 (Dephub, 2009)

<table>
<thead>
<tr>
<th>The Item of Report</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
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<tbody>
<tr>
<td>A. Passenger Train</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departure right on time (%)</td>
<td>80</td>
<td>81</td>
<td>70</td>
<td>82</td>
<td>84</td>
</tr>
<tr>
<td>Departure late (%; max. minute)</td>
<td>20 (8)</td>
<td>19 (7)</td>
<td>30 (5)</td>
<td>18 (4)</td>
<td>16 (3)</td>
</tr>
<tr>
<td>Arrived right on time (%)</td>
<td>19</td>
<td>21</td>
<td>22</td>
<td>23</td>
<td>26</td>
</tr>
<tr>
<td>Arrived late (%; max. minute)</td>
<td>81 (56)</td>
<td>79 (41)</td>
<td>78 (40)</td>
<td>77 (46)</td>
<td>74 (41)</td>
</tr>
<tr>
<td>B. Freight Train</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departure right on time (%)</td>
<td>24</td>
<td>21</td>
<td>23</td>
<td>25</td>
<td>34</td>
</tr>
<tr>
<td>Departure late (%; max. minute)</td>
<td>76 (187)</td>
<td>79 (72)</td>
<td>77 (85)</td>
<td>75 (80)</td>
<td>66 (80)</td>
</tr>
<tr>
<td>Arrived right on time (%)</td>
<td>24</td>
<td>22</td>
<td>19</td>
<td>19</td>
<td>26</td>
</tr>
<tr>
<td>Arrived late (%; max. minute)</td>
<td>76 (204)</td>
<td>78 (86)</td>
<td>81 (112)</td>
<td>81 (107)</td>
<td>74 (95)</td>
</tr>
<tr>
<td>Signaling problem (frequency)</td>
<td>3354</td>
<td>1650</td>
<td>1600</td>
<td>1550</td>
<td>1933</td>
</tr>
<tr>
<td>Locomotive baulk (frequency)</td>
<td>1719</td>
<td>1552</td>
<td>1519</td>
<td>1724</td>
<td>1787</td>
</tr>
<tr>
<td>Average WPG (days)</td>
<td>3.38</td>
<td>3.41</td>
<td>3.27</td>
<td>3.11</td>
<td>2.99</td>
</tr>
</tbody>
</table>

3.1.6.2 Tangibles

Tangibles related to appearance and comfort. These items are intended to vehicle performance, equipment, and employee. Complains related to appearance and comfort more to the overall condition on board such as, the inside condition of the train, the availability and ready to use facility on board (fan, AC, window, door, and seat). The present condition shows that demand for commuter train services are higher than number of fleet that operator have which result overloaded capacity. These conditions also reduce the level of comfort for passenger and influences satisfaction level. The CSI stated that 86% of passenger less satisfied with the appearance and the item of comfort in facilities and services for this present time. Even though the community website members give good response with the operational of commuter economic AC but for overall appearance they still expecting new improvement from operator.

The service contract between DGR and operator stated about tangibles item. The clause state that the operational must to fulfill the performance standard for vehicle such as condition of facility inside the train (fan, door condition, windows condition, seat, etc) and overall performance of vehicle. The train should pass the performance standard evaluation before it can be operated. The tolerance for facility damage is 10% from performance standard evaluation. The service contract regulates about the availability of the equipment and performance standard for vehicle but does not mention about the comfort criteria and the attributes like cleanliness. The strategy that the operator takes right now is in every three months the vehicles have to get maintenance.

3.1.6.3 Responsiveness

Responsiveness is about willingness of the operator to help customers and provide prompt service. The effort is to provide customer representative (call center, customer service, complain website link) to receive and handle complains from passenger. In operational the operator provide call center and customer service to handle customer complain. PT. KAI also has fans community website and
community of commuter website which also gives spaces for complaining. Some of PT.KAI officials joint with community to monitoring and responding complain from railway users. Unfortunately session interview between researcher with the operator representative have not been realized. Therefore, the information about this item is limited. Based on customer satisfaction survey, 29.4% passengers were indifferent to operator’s failure service response and 20.1% passengers were indifferent to operator’s customer service.

In service contract between DGR with PT.KAI is not stated about customer representative. In other hand, DGR do not have any customer representative. It only stated that DGR in rating operator performance through observation, supervision, and evaluation. Contract also stated that there are penalize if operator fail in fulfilling the task.

3.1.6.4 Assurance

Assurance is about knowledge and courtesy of employees and their ability to inspire trust and confidence. The items consist of safety and security, also competency and courtesy. According to the commuter website many passengers complain with the safety and security on train and at the station. Many case of robbery and pickpocket happens everyday especially in commuter economic non AC. There are also cases of annoying beggars, misbehavior from some of passenger, and train incidents. Competency and courtesy related to employees/operator’s ability and polite behavior in giving service. Based on customer satisfaction survey, 16.8% passengers was indifferent to operator’s competency and 15% was satisfied with the competency.

In safety and security of the operational vehicle, contract requires operator to operate vehicles that pass the vehicle feasibility test and only operate the vehicles that have the qualified certification. It also stated about the availability of fire extinguisher and other specification related to safety regulation. In item competency and courtesy implementation taking standard from operational regulation. One that set in the regulation is the driver level of skill and qualification process.

3.1.6.5 Empathy

The items of empathy cover accessibility, service monitoring and cost item. Item accessibility consists of availability of service (service coverage), vehicle capacity, and availability of information. The availability of information is felt enough by the community. The information on-board available only at commuter economic AC and commuter express trains. The time table is available on station announcement board and through the official website. Operator always monitors operational of railways from controlling room in every station. Furthermore, the Jabodetabek area has CTC (Centralized Traffic Control) systems. Without the approval from the traffic officer and controlling room, train will not operational. The ticket price of economic train is set by DGR which the amount of it adjusted with people ability to pay. The price for other service is set by operator. The accessibility is not cover for people with limited condition. There is no particular space for people with disabilities. Wheelchair users are difficult to use train service. The senior people and pregnant women sometime facing problem in using train services as the access to the train is difficult and not comfort for them.

The service contract stated about the maximum capacity and the tolerance of over load factor for each train. Contract not mention about accessibility for people with disable condition or in special condition (senior people, pregnant and disable). The related law only stated that the door for train that provide space for disable people must to be easy access even thought there is no clause that state about train characteristic for disable people. Service coverage includes all stations in Jabodetabek area with terms and ticket price that set by DGR and government approval. The terms are included in appendix and first must to be agreed by DGR and operator. Service monitoring is regulated by supported law about railway operational but not include monitoring for employees attitude.
3.2 Sweden Railways

The first railway in Sweden started operating in 1856, between Örebro and Nora. This was also the year of Swedish State Railways, SJ, was founded (SJ 2008, Stelling 2007). The changes start in 1978 when governmental proposition from open-access public transport services into monopole, own by the municipalities and the county council. In 1979, PTA had been established in 24 counties, and has formal responsibility for bus traffic and parts of local and regional rail traffic. In 1988, the dividing up of the network into main lines and county lines, as well as the concentration in SJ on rail traffic. In 1990, Infrastructure management and maintenance were delegated to a new authority which is National Rail Administration, Banverket. It follows and drives developments in the railway sector, assists the parliament and government in railway affairs, responsible for the operation and management of state track installations, coordinates the local, regional and inter-regional rail services and providing support for research and development within the rail sector (Banverket, 2008). Control over the county lines was given to the PTA. Subsidies to the railways are, after the unbundling, mainly granted to Banverket. Operators have to pay charges for the use of the track. Both the state and the PTA subsidies traffic include passenger traffic operations, by procuring traffic (Stelling, 2007).

In Sweden there are both local train services and more long-distance train services. There are several players involved in today's passenger rail service. The local and regional train services are often part of urban public transport system. The more long distance passenger traffic is in the form of high-speed, inter-regional trains, night trains and charter train. SJ AB has approximately 40 percent of the total rail traffic in Sweden, and has exclusive rights to inter-regional passenger carried on a commercial basis. This service includes a few lines, notably Stockholm, Gothenburg, Stockholm, Malmö, Gothenburg, Stockholm, Sundsvall, and some regional services, including in Mälardalen (Banverket, 2008). Inter-regional passenger services which can not be operated on a commercial basis purchased since 1999 by the Authority Rikstrafiken. The local railway services is become the responsibility of PTA in each region. In principle, there is PTA in each county in Sweden, a manager who organize local and regional public transport - a so-called traffic principal. Traffic principal's buyer of public transport is including in rail carrier operating. Several transports interact also on the traffic within and between counties. Normally determines the transport volume of traffic and the fares will apply (Banverket, 2008). PTA is responsible for planning public transport services that take into account the needs of the different stakeholders in the stakeholder network.

The productivity of each PTA are stimulate by the aim of the present Sweden transport policy, which is to secure an economically efficient and sustainable provision and development of the transport system (Government 2004, Stelling 2007). This aim is divided into six sub aims:

1. An available transport system - the transport system should be designed to satisfy the needs of the citizens and the economy.
2. High transport quality - the design and function of the transport system grant a high quality for the citizens and the economy
3. Safe traffic - the long term objective of transport safety should be that no one should be killed or seriously injured in traffic accidents within the transport system. The design and function of the transport system should be in accordance with this
4. A good environment - the design and function should be adapted to the demands of a good quality of life for everybody, where nature and culture are protected against harm. Good and healthy economizing with land, water, energy and natural resources should be promoted
5. Positive regional development - the transport system should promote a positive regional development, partly by equalizing differences in possibilities of development of different parts of the country, and partly by compensating for long transport distances.
6. An equal transport system - the transport system should be designed to correspond to both women's and men's transport demands. Women and men should be given the same opportunities
of influencing the establishment, design and administration of the transport system, and their values should be of equal worth.

The railway policy is a part of the general transport policy and as such it should also contribute to the fulfillment of the transport political aim. In 1998, the Transport Policy Act has separated the infrastructure of railways from traffic operation. The functions needed to run the trains are shown in Figure 1 alongside the names of the currently responsible bodies in Sweden. The newest governmental body is the Swedish Rail Agency, established in 2004, which manages safety and competition issues. The Swedish railway is representative of some other European railways, in that the government aims to make more private actors enter the railway sector (Nyström, 2008). The following is stated with regard to the general objectives of the PTA in Sweden. Public Transportation should be a natural part of people’s lives in the future and the transportation service should be characterized by quality and flexibility so that it will be the first choice of the citizens when traveling (2001:106, Enquist et. al. 2005).

3.2.1 Transportation of Värmlands Area

Värmland County is one from 22 counties in Sweden. Värmlands area is covering over 17,500 Km² with 16 municipalities (www.varmland.se). The county has approximately 273,374 inhabitants. Värmland County have three large municipalities; Karlstad with population of 59,000, Kristinehamn with population of 18,000, and Arvika with population of 1,413. The number of cars on the road increased by almost 49 000 cars, or just over one percent in 2006. At the end of the year 2007 there were around 4 202 500 passenger cars in traffic. The largest increases numbers of cars on the road happen in Skåne County by 2.1 percent or 11 145 cars. This fact become the notice of government as their national transport goal to achieve sustainable transport condition.
Värmlandstrafik AB (VTAB) is the PTA which becomes the monopoly provider of public transport service in Värmlands County. The changes of regulation in 1980 implemented in Värmland led to the establishment of VTAB as a private limited company. VTAB is not the operator of the actual public transport services. The PTA only orders services and coordinates the operator of public transport. The PTA responsible for planning traffic and has to coordinate interest in the stakeholder network. All business to business relationship conducted by PTA to operator regulated by contract. These contracts are open to all railway undertakings.

VTAB is owned by the 16 municipalities and the county of Värmland. The headquarters is in Munkfors. VTAB have 60 employees working side by side in managing and coordinate public transport operators in Värmland County with overall staff of 900 employees. VTAB own 15 trains with 3 different fleet type and capacity. The 15 trains consist of 3 light diesel train with capacity of 100 passengers each, 4 diesel train with capacity of 67 passengers each, and 5 electric trains with capacity of 180 passengers each. The railway operational operator is Merresor, which at the end of December 2009 will be taking over by Tågkompaniet. VTAB have co-operation with SJ in order to be able to offer a good and effective service for Värmlands community.

3.2.2 Värmlands Regional Railways

3.2.2.1 Railway Network

![Värmlands Railway and Bus Network](VTAB, 2009)

Karlstad – Ludvika. The route and stop stations are Karlstad - Kristinehamn – Hällefors - Ludvika. The network of railway in Värmland is shown as green lines in Figure 3.7.

3.2.2.2 The Stations

![Regional Railway Network Map of Värmlands Region (VTAB, 2009)](image)

There are 13 stations in Värmlands region and 29 shelters. Some of this station building owned by private. The data is not enough to explain more about station and shelter condition. In general, the operational of stations becomes the responsibility of municipalities or private landowners. From observation and key representative interview, overall condition of station and shelter is felt enough by Värmlands’ community and already suitable with technical standard and specification in related regulation.

3.2.2.3 The Vehicles

VTAB owns 15 train which consist of 5 reginaåtåg (electric train) with capacity of 180 seats, 3 Itino (modified diesel trains) with capacity of 100 seats, and 7 Y-1 (old diesel train) with capacity of 60 seats. The law in Sweden stated that public transport authority must provide facilities to ease elderly people and people with disabilities to ease them accessing the vehicle. VTAB uses modified train with extra item to ease people with wheel chair so that they can easily enter the train. The vehicles also must environmentally friendly, although it uses diesel, the emission should meet Euro II regulation. The vehicles is own and provide by PTA. The operator is leasing the vehicle for their operational base. The leasing is regulated inside the contract of 8 years concession.

3.2.2.4 Trip Tariff and Ticket Counter

VTAB has different prices for different types of passengers and locations. The price differences for children, youth, adult, student, senior people, people with disabilities and combination of buses and train, and obviously different locations will have different fare. There are 3 type of ticket that can be choose; single ticket, periodic, and ressaplus. Ticket can be bought in station, and local shop. The price of each ticket type and timetable can be search easily through PTA website. Until now the
revenue from ticket sale directly goes into VTAB party but in the future the revenue will be goes directly to the service operator. VTAB will only pay subsidies for passenger with periodic ticket.

3.2.2.5 Service and Operation Plans

The operation of regional train start at 05.40 am until 23.37 pm. The operational hours and frequencies are different for each route. The frequency and operational hours is adjusted with market needs. The time tables in general keep pace with the time schedule of school activities. Municipalities felt that students need to be prioritized for they only depend and use public transportation as their mobility mode.

3.2.2.6 Financial System

VTAB is owned by county council of Värmlands region and 16 municipalities in Värmlands region. The subsidy for train ticket is 52% from total operational cost. The rest of the cost is paid by the passengers. The subsidies are collected from each municipality and from county council. The county council paid 50% of overall subsidies and the rest cover by each municipality. Subsidies that have to be paid by each municipality are different. The amount is based on the population, covering area, and frequency of trip on each municipality.

3.2.3 Customer Satisfaction Survey

According to Kollektivtrafikbarometer, public transportation service provided by Värmlandstrafik AB has satisfied public of Värmland County. Kollektivtrafikbarometer is a survey about public transport customer satisfaction acted every year. In this survey, 1000 telephone interviews are done in Värmland. Both actual customers and potential costumers are asked. These interviews are done for all the PTAs in Sweden which makes it possible to compare results. In 2008, Sweden average for public transport customer satisfaction are 66% for actual customers and 56% for public (consist the customers and non-customers).

![Figure 3.12 Kollektivtrafikbarometer 2007-2008 (VTAB, 2009)](image-url)
Figure 3.1 is the Kollektivtrafikbarometer 2007-2008 of covering all region of Sweden. The color pattern blue represents the result in 2007 and green represents the result in 2008. The words English translation from 12 o’clock, clockwise, is: knowledge, product advantage, relevance, popularity, quality, price worthiness) from the figure 3.1 we can see that in The corresponding percentage consists of items such as relevance 24 percent, popularity 36 percent, price worthiness 40 percent, knowledge 40 percent, product advantage 43 percent, and quality 53 percent.

<table>
<thead>
<tr>
<th>Year</th>
<th>The Satisfaction Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual Customer</td>
</tr>
<tr>
<td>2004</td>
<td>79%</td>
</tr>
<tr>
<td>2005</td>
<td>72%</td>
</tr>
<tr>
<td>2006</td>
<td>74%</td>
</tr>
<tr>
<td>2007</td>
<td>74%</td>
</tr>
<tr>
<td>2008</td>
<td>69%</td>
</tr>
</tbody>
</table>

The result also states that in Värmland, 69% of actual costumers and 53% of public (consist the customers and non-customers) satisfied with the public transport service. This related to numbers of answer in one of the questions which is about the overall satisfaction of the costumers with the PTA. The percentage shows how many interviewees answer with the answer 4 “fairly satisfied” or answer 5 “very satisfied”. The development of the overall satisfaction level for public transport from 2004 to 2008 related to Värmland stated in Figure 3.1. Värmlandstrafik AB is targeting to increase the actual customer satisfaction to 80% in fairly or very satisfied statement by 2012. This target needs hard work, good business environment, and also consistency from the PTA and operator.

3.2.4 Contractual Governance

Service contract right now is in form of gross contract which will change into net contract within this year. The changes also consist the concession time of 8 year. Service contract is start from the process of tendering. The offer in tendering is the time table and the price from the kilometer of trip for each train. Contract consists with documents; transport agreement, procurement minutes, operator tender, administrative regulations, service plan, framework, terms, and quality. Each of documents
specified the subject. Three items in performance measurement of Värmlands railways operational: regularity (standard technical), punctuality, and frequency. The evaluation done every 4 times a year. The evaluation is a follow up of the contract and the evaluation not as a burden for the operator but this is an indicator which item that need improvement. The PTA has implemented the fees scheme to the evaluation within the item that lack performances, but this not affect and do not bring any benefit to the two parts and too much administration process. VTAB make it to time deal, within the time of concession it will give the final result. The effort to increase the performance and the quality of the operational takes time. That is the reason why the PTA gives service contract in form of concession.

In future development PTA will interview the public every year, performance inspection, and evaluation of performance measurement, also the technical evaluation. PTA considers that the technical performances influence the overall performances of railway operation. Failure of services is affected the customer satisfaction 4 times yearly meeting is a discussion and reviewing the operational result, this is where the performance measurement takes place. Through discussion and the customer review then the PTA and operator also other stakeholder can discuss the new strategy to improve the quality, the number of passenger and other improvement. Through this continuity process the goal for the operational, PTA's goal and operator goal, can be achieved.

3.2.5 Stakeholder Relationship

Public transportation in Sweden is mostly provided by private operators using contracts obtained via a public procurement process. The system based on two interacting value-creating processes. This relationship involves four main actors. First, the principal or politician, i.e. the owner or the authority responsible, representing the political level; the executive management of a regional public transport company, i.e. the Public Transportation Authority (PTA); the employees or, as is the case in public transport, the operators (contractors) who are contracted to provide the services; and the customers, i.e. the passengers and citizens.

It is as Enquist (2005) describes in the rectangular relationship figure. The regional and local political level is the owner of VTAB. The national politics are important for VTAB due to there regulating function (laws, transport political goals). The politicians are voted by the county's inhabitants who can be citizens and customers of VTAB. However, there is relatively little contact between the PTA and the customers. The customers are mainly in contact with the operators (e.g. bus driver). The operators are tightly connected to the PTA by contract (Bösch, 2008)

![Swedish Public Transport Relationship Model](image-url)
Board principal/politicians

The board principals/politicians are owner of PTA. The board as director set the PTA goal and the service scheme periodically. The board set it based on Sweden national transportation aim and in order to fulfill the needs of community. The members of the Board are the politicians and local government of Värmlands region. The board arranges share holders meeting regularly four times a year to discuss VTAB works and operator performance evaluation. The politicians are representing the community as they are voted by citizens.

Public Transport Authority

VTAB is a public transportation company who responsible for planning and managing public transportation in Värmlands region. Besides planning the public transportation services to citizens/customers, it also has to coordinate with stake holders’ interest. VTAB policies should have an agreement from board of principal/politicians. PTA is not the one that operates the public transportation. It delegates the authority to the selected operator by tender. PTA only gives guidance and coordinates operator in serving citizens. VTAB is tendering the public transport service and making agreement with private company that win the service tender. The PTA set the tariff and the time table for the operational in each public transportation modes. PTA maintains the relationship with the customer directly. The PTA services to passenger is by giving the travel guarantee, accommodate community demand, and the process complain recovery. PTA is the one that held the CSI and measure the performance, and compile the demand. With the changes from gross contract to net contract, basically the management and relationship between the stakeholders will still the same. The changes will only in financial. The failure of operational is operator responsible.

Figure 3.15 The relationship between public goal and railway operational goal (Bengtsson, 2009)

This new development and responsibilities to the operator make the improvement to their performances and the business strategy to gain more benefit for them. As PTA, VTAB needs to give standard and performance measurement to assurance that the operators give the best service to the passenger. The quality of service was defined through technical specifications and performance measurement stated in form of contract. Strategic issues in railway systems are related to the desirable service level to be provided to the customers (in terms of number of direct connections, frequencies, and reliability), and the capacities of the resources that are required to accomplish these
services. In interview with VTAB key representatives, Per Magnus Bengtsson said that PTA see that to achieve service that based on customer it necessary to put on a customer-based goal in operator operational goal. The meeting point between the public/ community goal and railway operational goal evaluate through performance measurement.

Operator

The operator is private company which wins the tendering, and operates the public transportation. In doing the public transport operation, the operator has to obey the guidance that PTA released as specified in service contract. The operator has obligation to give good performance in doing the operational. The present operator for railway in Värmlands region is Merresor. In 2004, Merresor was certified according to quality and environmental ISO 9001:2000 and ISO 14001. This makes Merresor the first Sweden passenger train operator with quality certification. Merresor has commitment to work continuously in improving environmental and quality in their daily operations (www.merresor.se).

Customers/citizens

Customers demand for good public transportation services should be a focus of PTA in managing the transportation service that served by operator. This based on fact that the public transportation is subsidized by government. The subsidy is come from the tax that the customer/citizens paid. The government subsidizes 50% from the transportation fee per person. As estimation, each citizen pays about 750 SEK per year for transportation. Government have a bound with the citizens, as the citizens have a right to vote a politician as their representative in governmental.

3.2.6 Service Quality of Railway Operational Performance

The description of existing condition of VTAB performance is using the SERVQUAL item. This description is obtained from interview with VTAB representatives, official website, and supporting data from VTAB.

3.2.6.1 Reliability

The reliability which consist punctuality and travel time item is VTAB focus services in railways. Punctuality and travel time is transfer into timetable form. In tendering process item that being offered is timetable. VTAB set the timetable, provide the fleets and give travel guarantee for passenger. Punctuality and travel time have been settled and accomplished well by operators. Local train operates from 05.00 a.m. until late evening gives passenger options in time journey. The travel guarantee, if there a delay more than 50 minutes and affected to the passenger beneficial then the passenger will get the money and compensation. The second guarantee is the guarantee using any mode within Sweden region (ressapluss). Service contract stated about timetable with detail about train kilometers and timetable hours. VTAB evaluate present operator has given good performance in punctuality and travel time.

3.2.6.2 Tangibles

Tangibles related to appearance and comfort. These items are intended to vehicle performance, equipment, and employee. Through observation the vehicle performance, equipment, and employees is in good condition and appearance, it give comfort environment to passengers. Vehicle maintenance is become other operator responsibilities. Provision of vehicle and facilities are PTA responsibilities and PTA leasing the vehicles to operator. The task of operator is only to keep vehicles and their employees in good appearance.
The contract stated operators have responsibilities to keep vehicles and assure the conditions of the trains are in good performance. Contract also stated about the obligation for operator employees to wear uniform with name tag.

3.2.6.3 Responsiveness

VTAB contracting the call center services to other company. The contracting Call Center Company is responsible in handling customer complains related to the public transport operation. VTAB staff who responsible for the complain responses have direct access to data complain in call center company. This person in charge should give feed back to complainer and also report it to operator if it is needed. If the complainer sides suffer financial lost caused by delay then VTAB will pay back the cost. Complainer could reach VTAB to send complain through telephone, short message and email.

3.2.6.4 Assurance

Assurance dimension consist of safety and security, competency and courtesy item. Safety and security through general observation is good and already applied as standard of service. Competency and courtesy items is conducted very well by operator which gives passenger confidence to travel with train.

Contract stated about the safety and security standard equipment provided in train, such as fire extinguisher, supporting device for wheelchair user, etc. Driver recruitment conducted by operator, competency assessment of driver fully under responsibility of operator.

3.2.6.5 Empathy

Empathy consists of accessibility, service monitoring, and cost item. Accessibility consists of availability of service (service coverage), availability of space (capacity) and availability of Information. VTAB have no problem with train capacity, although the train capacity would be full on the peak hours but still enough. VTAB felt that they do not need to add more fleets. VTAB problem is rail capacities that now reach hectic condition. VTAB serves four routes in all municipalities in Värmlands region, VTAB provide public transport by call, like taxi in certain area that does not have big demand. VTAB provide all information about service in public transport including timetable, customer service representative, notification about service changes, etc. the information can be access through phone, website, and SMS. Service monitoring is done by Traffic Management Center.

Accessibility as stated in National Transport Law that vehicle must be accessible for the person with reduced mobility, including wheelchair users. Contract stated that operator must to ensure good and equal treatment of all passengers, staff and job seekers. Contract also stated about consumer price index to assure that ticket price is controlled by PTA.
Chapter 4

ANALYSIS

4.1 Comparison Analysis

The SERVQUAL item of railway operational in Jabodetabek area and Värmlands region is analyzed by item and by the availability of the item in the contract. The SERVQUAL item also analyze by considering service system and resource inside the service process. The description of analyzing item is summary in Table 4.1.

4.1.1 Reliability

Reliability which consist of punctuality and travel time related with timetable and the operational speed. Both DGR and VTAB has stated about punctuality and travel time in service contract. VTAB already give travel guarantee for passenger related to delay and access problem. When the operator cannot fulfill the time table the passenger can make complain and get compensation money if the passengers suffer financial cost because of the delay. PT. KAI in operational is still facing problem with delay and late arrival. The operational regulation stated that operator should give compensation if passenger suffer from delay more than tolerance time that determined by DGR. Many people do not aware with this regulation and the condition makes them disappoint and give less satisfaction in using commuter train.

In Värmlands railway operational the punctuality and travel time already fullfill by the operator. Vehicles and infrastructure is in good performance. This condition supports operator to give best performance in punctuality and travel time. Vehicles can speed up to 120 km/hours. In Jabodetabek this two items are still in process to achieve target. The reason why punctuality and travel time still a problem in Jabodetabek area is because lack of infrastructure and vehicle performance. Vehicle’s speed is still in low level (45-70 km/hours). Some of the economic trains need rehabilitation to improve the performance and machine condition to overcome baulk problem.

4.1.2 Tangibles

Tangibles which consist of appearance and comfort related to the physical condition of equipment, supported facility, staff and vehicles. Both PTA has stated in service contract about the physical condition of equipment, supported facility, and vehicles. They have standard technical for vehicles and supported facility. Both PTA is supported by other regulation about technical standard of vehicles, facilities, and appearance of staff. DGR contract with VTAB has stated about vehicle performance and appearance. The supporting regulations give specified instruction about related items, not only for vehicle but also for the appearance of operator employees. VTAB stated the items clearly in documents of contract.

DGR see that the problem in tangible item was not only limitation in vehicle availability, but also to lack of awareness from the passenger and public to preserve and maintain the condition of facility, vehicles, and equipment. The passengers still throw garbage in any place and do other destruction behaviors. Operator is still in process of solving the problems. VTAB does not check the vehicles, equipment, and facility everyday. They see problem from the complain database that coming into their call center. Then the complaint is delivered to operator to get feedback. So far this mechanism is doing...
well and problem can be repair right away. Operator can also sent complain when vehicle not working in good performance. VTAB will follow up complain to operator that doing the maintenance.

4.1.3 Responsiveness

VTAB have service contract with call center, this means that responsiveness have become PTA concern. DGR does not have this item stated in contract with operator. Operator have call center based on company initiatives as customer support which receive complain from the passenger. DGR do not have customer complain center and not directly connected to complain database. This makes the process of failure handling goes to operator individually. DGR only take annual report about the problems that happen during the operational term and only get direct warning when there was incident or fatal accident in operational which will involves further investigation.

VTAB response to the customer is fast and they have guidelines and time limitation in giving feedback. PT. KCJ is fast in giving response but the failure recovery that the operator give still not fulfill the customer expectation. DGR relationship with people as railway passengers is not directly. In making changes or additional item in contract is only based on technical measurement and performance annual report. This can be a problem because DGR and operator have differences in seeing the result of contract implementation. The service concept should be approached from customer’s point of view. It also DGR responsibilities to make railway work better so people come to prefer it. For that reason DGR should have intermediary with people as passenger of railways.

4.1.4 Assurance

Both of PTA already stated about items of safety and security and prioritize the two items in operational. Competence also stated in both of PTA contract. In contract between DGR and operator stated about supporting regulation that specified competency, task, and obligation of staff operational and operator. In contract between VTAB and operator, VTAB delegate the requirement and process related to staff competency to the hand of operator and it becomes operator responsibilities.

Problem in safety is often caused by lack of driver competency. But in Jabodetabek railway those problems can also caused by infrastructure (track problems) and signaling failure. Security stills a problem especially in commuter economic train. There are complains from the passenger related to robbery, thief pocket, and harassment that the passengers suffer when they on the train. In VTAB review, the operator performance already fulfills items safety and security. This proved by the minimum number of incident or problems related to safety and security. Courtesy item related to the front liner staff in giving services to the customer. Both of operators already give a good service related to courtesy. Competence items especially related to the competency of operational staff. The competence of merresor staffs are review by VTAB in good performance level. The competence of PT. KAI staffs in general is review good even thought need more improvement, in operational need more investigation because some incident suspected to be happens because the lack competency of driver.

4.1.5 Empathy

Empathy consists of accessibility, service monitoring, and cost item. Accessibility is related to the ease of access for public transport. VTAB has managed that the station and the bus shelter is in the same platform or close to each other. VTAB also modified the trains which make the train have easy access for disabilities people. VTAB have stated in contract items that related to empathy item. Accessibility for disable or people with special circumstances is one that stated in contract. Contract stated that
operator must to ensure good and equal treatment of all passengers, staff and job seekers. Contract also stated about consumer price index to assure the ticket price is controlled by PTA. Service monitoring stated in contract in form of performance measurement and customer satisfaction index. Contract DGR has some items related to empathy stated in contract. For accessibility, there is no clause in contract related to accessibility for disable people, contract only mention about capacity item. In Jabodetabek area only few stations that have direct accessibility between buses shelter to station. This becomes one factor that prevents people with disabilities and special circumstances to use train as their mobility mode. Capacity is about balancing supply and demand. This is a problem for both PTA. VTAB facing fatigue lines capacity problems that lead to limited speed which influence the travel time. PT. KCJ facing not only fatigue lines capacity problems but also with limited fleet with high passenger demand. Information for both operators is not a problem. Even though this item not regulated by contract but both operator try the best to give good information to the passenger.

Table 4.1 SERVQUAL Comparison Matrix

<table>
<thead>
<tr>
<th>No</th>
<th>Item of SERVQUAL</th>
<th>Attributes items</th>
<th>VTAB</th>
<th>DGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reliability</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Availability in Contract</td>
<td>Yes</td>
<td>Yes, specified in related regulation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Punctuality</td>
<td>Deliver suit to timetable</td>
<td>Not delivered all, there are some delayed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Travel Time</td>
<td>Deliver suit to timetable</td>
<td>There are some problem with travel time</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Tangibles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Availability in Contract</td>
<td>Yes, using other operator services</td>
<td>Yes, specified in related regulation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equipment &amp; Employees</td>
<td>No problem, VTAB provides vehicle and facility. Employees become operator responsibilities</td>
<td>There is some problem, vehicle not certain from which party it provides, the existing is in low performance. Employees need more review</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Appearance &amp; Comfort</td>
<td>No problem, suitable with demand and needs</td>
<td>There is some problem, the existing condition need improvement and still lack of comfort</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Responsiveness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Availability in Contract</td>
<td>Yes, using other operator services</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer service</td>
<td>Responsive to give feedback.</td>
<td>Available by operator. There is no failure response standard and supported regulation</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Assurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Availability in Contract</td>
<td>Yes</td>
<td>Yes, Specified in related regulation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Safety &amp; Security</td>
<td>No problem</td>
<td>There still some incidents and accident. There are also criminal report such as robbery, thief pocket, etc</td>
<td></td>
</tr>
</tbody>
</table>


4.2 Customer Satisfaction with Service Quality

Based on customer satisfaction index in Jabodetabek commuter railways, can be seen that overall passenger satisfaction in commuter railways operational is very low. It is only 6.5% passenger that satisfied with the service. From the central tendency finding it can be concluded that respondent is not satisfied with the quality of service. This indicates that the quality of railway service is under passengers’ expectation.

Result from correlation analysis show that there are four attributes that have strongest relationship with overall satisfaction; equipment and vehicle, safety and security, competency, and travel time and appearance. Other attributes that influence overall satisfaction such as frequency, failure recovery, performance vs. price, customer service, service control, ticket price, and service information.

The first service quality attributes with high influences to overall satisfaction is equipment and vehicle. The present condition where few of the vehicles use in operational is already old and often troubled, influences travel time and punctuality. This condition is like domino effect, when one of the train’s schedules is disturbed it will cause other trains’ schedule difficult to adjust with time table. Furthermore, facilities on board that dysfunctional is causing passengers complain about operator’s level of services. According to Edvardsson (1996), physical/technical resources is a means of creating favorable conditions for increasingly better services and increasingly more profitable business deal. In this case of service, vehicle is the physical resources and without good vehicle performance equipped with good facility on board, operational service will be less. This will lead to bad performance operational and create uncomfortable environment.

The second service quality attributes that highly related to overall satisfaction is safety and security. Security related to secure feeling when using the train, waiting for the train, and while walking toward station. Customers complain and report about security on board and in station. There are reports about pillaging and thief pocket on board and while customer walking toward station. Those incidents will influence people to not use railways. Safety is influenced by how smooth the trip to destination without disturbed by accident or incident. Current incident and accident that happens in commuter

<table>
<thead>
<tr>
<th>No</th>
<th>Item of SERVQUAL</th>
<th>Attributes items</th>
<th>VTAB</th>
<th>DGR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Competency &amp; Courtesy</td>
<td>No problem</td>
<td>There are some incident in operational with suspicion in driver competency factor</td>
</tr>
<tr>
<td>5</td>
<td>Empathy</td>
<td>Availability in Contract</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accessibility</td>
<td>Problem in rail capacity</td>
<td>There is only some facility for disable people, the condition not comfort for senior and pregnant woman or for people with special condition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service monitoring</td>
<td>No problem</td>
<td>No problem</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost item</td>
<td>No problem</td>
<td>No problem</td>
</tr>
</tbody>
</table>
train and railway in general influences people in measuring operator services which lead in decreasing of people trust in using railways as their mobility mode.

The third service quality attributes that has high correlation with overall satisfaction is competency. The occurrences of some incident and accident that happens in railways operational, declines vehicle conditions, dysfunctional facility on board, and crime incidents, influences customers’ level of trust to operator competency. Competency related to the operator ability in providing service and controlling operational process. It also related to operator premises in providing services which not delivered to the customers.

The fourth service quality attributes that has high correlation with overall satisfaction is travel time and appearance. Vehicles condition and railway infrastructure at this present result in the vehicles performance and speed not maximize. Furthermore baulk vehicle problems affected to timetable and travel time. Railways travel time supposed to be faster than other mode because it operates in it own track. However the existing condition result in train speed limitation which lead to not optimal travel time. According to Button (1993), one of the factor that influence traveler in choosing mobility mode is because the travel time. Travelers prefer to choose mode with shorter travel time.

The service quality attributes that analyzed than put into groups of service quality to simplify the decision maker in making improvements. Those attributes then simplify into 5 item of service quality; reliability, tangibles, responsiveness, assurances, and empathy. Reliability is consisting of travel time and appearance. Tangibles are consisting of frequency and equipment and vehicle. Responsiveness is consisting of customer service and failure recovery. Assurances are consisting of competency and safety and security. Empathy is consisting of ticket price, service control, and service information. Those attributes grouping based on the characteristic of attributes and from literature review related to service quality attributes grouping. After grouping the attributes into five service quality items then regression analysis conducted to that five service quality items.

According to the regression analysis result we can see that service quality item consist of reliability, tangible, responsiveness, assurance, and empathy has significant influences individually or collectively to the passengers’ satisfaction of commuter Jabodetabek trains. It shows that service quality which consist of reliability, tangible, responsiveness, and assurance have positive influences to customer satisfaction. However the service quality of empathy has negative influences to customer satisfaction. The result influenced by one of the attributes in empathy which is cost item. As Button (1993) stated that travelers in decide the travel mode is considering the financial cost. Passenger of commuter Jabodetabek trains especially for commuter economic train at present satisfied with price of trip. The reason many Jabodetabek community using commuter economic train because the trip price is cheaper than other modes even cheaper from commuter express train. Therefore the price increasing can be affected negatively to customer satisfaction. The first service quality item that highly influences to the satisfaction is assurances. Assurances consist of competency and safety and security have bigger affect as people see the two attributes as the basic service in railway operational. The second service quality items that high influences to the satisfaction is tangibles. Tangibles consist of frequency and equipment and vehicles. This item is the root of problem that influences other service quality in low level. Without vehicles that capable to accommodate the demand, transportation service cannot be acted as expected. As stated in Indonesian railway law, railway is united system which consist infrastructure, vehicle, and human resources, also norm, criteria, requirement, and procedure in order to operate railway as transportation mode. When one of the system not fulfill then the whole system cannot work in the right order.

Within the three analyses that conducted to customer satisfaction survey in Jabodetabek commuter railways can be concluded that customer not satisfied with the service. The service quality has not fulfilled customer expectation. Only 6.5% of respondent satisfied with the service and 16.4%
respondent is indifferent. The phenomena of 42.1% respondent almost satisfied is influenced by cost item and respondent perspective between performance of the service vs. ticket price. Satisfaction in consumer research is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfillment (Oliver, 1997). If the client is satisfied with every interaction, then eventually the person will come to regard the service as being high quality (Bennet & Barkensio, 2004). There is a symptom in the community that when they demand better service and improvement the trip price will rise. Therefore, they measure the performance with the price they pay. But the judgment also influenced by the less performance of other service quality items, which make them from the state of satisfied then go low to the state of almost satisfied.

As public investment is limited, it is important to be able to decide whether it is a perception or objective problems (Carlsson, 2001). According to the result of USA Transport Board conferences (2008), the changes and improvement in services can be divided in two groups; providing the right service and providing attractive service. Providing the right service related to improvement or changes implemented to the items of service quality that passenger consider important and still in the low level of service. Assurances related to operator premises in knowledge and courtesy of employees and their ability to inspire trust and confidence. The attributes of safety, security, competency, and courtesy should be improved in operational. Improvement in safety and security can be in from of quality improvement of human resources, infrastructure, and vehicle performance. Related human resources are operator staff such as driver, traffic staff, securities, etc. Infrastructure related to track condition and signaling system, this also related to traffic control system. Vehicle technology and overall performance improvement also needed to improve operational performance. Tangibles related to physical facilities, equipment, and appearance of personnel. This item depends on the availability of good performance vehicles and supported facilities on board or facilities in operational. From the survey there are two items that need more concern; assurances and tangibles. Providing attractive service related to service that giving more advantage offer to passenger such as discount for periodic card, easy access to stations, integrated with other mode, etc.

4.3 Service Gap

To identifies and determines differences and gap between what is customer expectations and what operator delivers in service delivery process, gap analysis was conducted.
Figure 4.1 Conceptual Model of Service Quality (Adapted from Parasuraman et. al, 1990)

Consumer expectation – management perception gap (Gap 1):

The first step is for DGR and PT. KAI to acquire accurate information about customers’ expectations. When executives with the authority and responsibility for setting priorities do not fully understand customers’ service expectations, they may trigger a chain of bad decisions and suboptimal resource allocations that result in perceptions of poor service quality. The party that receive complain and have
Contractual Governance of Indonesia Railway System

direct connection in railway operational is PT. KAI as operator. These complain then being proceeded by operator which becomes one of material in composing working plan and operational target.

VTAB has direct relationship with customer. Customer complains get into customer care operator that contracted by VTAB to compile customer complain and deliver it to VTAB. With this mechanism, VTAB can be inform effectively and efficiently about the problems that customer dealing in operational and can be process by VTAB accordance to standard of failure response. Moreover, with the knowledge and information about customer problems in operational, it can help PTA in setting service quality specification and the right performance measurement.

DGR perception – service quality specification gap (Gap 2):

DGR in setting service quality specification into contract was based by performance measurement and operational evaluation which conducted every 4 months and reported in annual report. The result of performance evaluation that conducted by DGR discussed to the operator and then translated to service quality specifications. DGR do not have directly connection to customer. DGR perceptions of consumer expectations based only from performance evaluation conducted by DGR. It means that DGR do not know exactly what customer expectation and experience in service delivering process. Gap 2 becoming a problem because service quality specification that DGR set was not include costumer expectation as formulating material but only include technical standard and general observation of performance measurement. This lead to condition where service quality specification that has been set in contract can be less effective and efficient in effort of increasing railway market share and customer satisfaction.

This also related to process of tariff setting. Without direct relationship with passenger and DGR limited knowledge about people that using railways lead to vagueness in tariff setting process. Trip tariff do not have certain percentage of cost that charged to passenger and that subsidies by government. To some degree, subsidies may be necessary as part of an overall pro-poor intervention. Subsidies can be designed to be compatible with the market solution in a number of ways. Subsidies are meant to serve the truly needy. They should not excessively undermine incentives for the poor to help themselves. Also, by their nature, subsidies are in infinite demand both by the intended beneficiaries and by others who are interested in diverting them for private gain. Yet study after study of subsidy systems shows that these programs benefit the rich as well as the poor (Klein, 2003). This condition provokes people as passenger becoming passive customer without any desire to improve quality. Indirectly this can decrease the quality of service and let small problems in operational grow into big problems which can be fatal for operational.
VTAB in setting service quality specification based on technical specification and performance measurement also influence by target that VTAB stakeholder has set for operational. Direct access to people as consumer of railway service can ease VTAB in controlling and supervising operational and operator performance. The situation where VTAB have knowledge and information about the real operational condition help VTAB in setting service quality specification that have customer-based approach with consideration of operator capability and resources.

Service quality specifications - Operator implementation - service delivery (Gap 3A and Gap 3B):

Gap 3A

After contract is agreed by the two parties, then operator apply it into operational program and target. The transfer process of operator perception of contract into service delivering process is taken place in this stage. In Gap 3A there will be some problem when service quality specification in contract is different with customer’s expected service. Operator will be burden by 2 demand, demand from customer and demand that stated in contract. Operator is facing problems in order to fulfill both demands because it limited capability and resources.

Operator of VTAB not facing this problem because customer demand and needs is directly to PTA which then being compile and analysis by PTA. VTAB conducted performance measurement to gain more information and to evaluate operator performance while looking for the root of problems that customer being complain and request. After the process of customer complains analysis and performance measurement, the result will be discussed together with stakeholder board and operator. The purpose of this meeting is to identify the cause of customer complain and find problem solution. The process not stops in that stage. VTAB will monitor the progress of operational after the meeting and see how well operator applies the solution through the next performance measurement. Furthermore, VTAB will monitor if there any customers complain about the same problems. This is a continued process until the service quality fulfills customer expectation.
Gap 3B

In this stage operator delivered service to costumer based on operator perception of contract and costumer complain. Problems that Jabodetabek commuter railways passengers complain of are related to safety and security, also about vehicles condition and facilities on board that not working. Furthermore, travel time is also being complained as there are some technical operational problems (vehicles baulk, signaling errors, etc). Those problems can be solved by improving infrastructure and signaling system, adding security staff and equipment, adding and improve vehicles condition and facilities, and adding operational staff with competency. But operator has limitation in resources and capability. The process is a high cost project and there are external factor like vandalism and bad behaviors of passenger and surrounding environment which become obstacle to the process. The improvement of railway operational needs support not only from central government but also from local government. Support not only financial but also regulation support which determines the success of development process. This is lack in Jabodetabek commuter railway operational. The parties that involve only PT. KAI represent by PT. KCJ and central government. The local government of DKI Jakarta, East java (for area of Bogor, Depok, Bekasi), Banten (for area of Tangerang) not too much involved. Even though, this is related to their society needs for mobility.

VTAB is only responsible for managing and planning public transportation in värmelands region. This make VTAB more focus in handling problems inside the regions. Supports also come from municipalities, county, and central government in form of financial support and regulation which the implementation is adjusted with the society condition in the region. The society has awareness and concern with the railway operational. As they realize that the subsidies comes from their tax and they deserve to get good railways service. Furthermore, with percentage of 50% from trip cost that they must paid for each trip makes them active in demanding for improvement in service quality. The equity principal in operational is to assure that railway service is provided for all people without any differences.

Service delivery – external communications gap (Gap 4):

This stage is process of contract socialization to customer related to customer right and obligation in receiving service. This already stated in ticket receipt. As obligation passenger should pay some amount of money to receive service and as right passenger get the service. Gap 4 contain relative small problem.
Expected service – Perceived service gap (Gap 5):

The quality that consumer perceives in service is a function of the magnitude and direction of the gap between expected service and perceived service. Gap 5 occurs because there are gap1 to gap 4. Therefore, gap 5 is the result from problems which form gap in every stage. Gap 5 is the differences between customers’ expected service with perceived service that they get from operator. In order to delivering service quality which fulfills customer satisfaction in Jabodetabek commuter railway operational gap 5 must to be closed. The key to closing gap 5 is to close gap 1 through 4 and keep them closed.
6.1 Conclusion

The purpose of this thesis is to analyze the relationship between the undelivered service quality agreements of railway operational with customer satisfaction in Indonesia railway operational. Based on previous chapter we can conclude that the undelivered service quality agreements affected the customer satisfaction level in passenger of Jabodetabek commuter railways. The service quality could be evaluate and improve as single attribute but also as factor-group of single attributes, in order to make railway as attractive, satisfied, and marketable mode of transport. The Customer Satisfaction Index can be a tool in measuring service quality level and performance of contractual governance implementation and to get accurate information about customer in railway operational.

Through analysis of service quality items in contract of railway operational can be concluded that the contract already stated about service quality. Even though there are some items that not stated inside contract such as facilities for disable people and about service complain response. The problems appear in process of service delivery which leads to the failure of service and effected customer satisfaction in using railways. The problem appears because operator has limitation in resources and capability. Moreover, operator has to fulfill demand from passengers and demand that stated in contract. It will be easier for operator if contract agreement already cover the passenger demand. This will make operator focus in making operational priority.

There are research questions which need to be answers:

1. What is the customer satisfaction factor in railways operational?

Based on customer satisfaction index in Jabodetabek commuter railways, can be seen that overall passenger satisfaction in commuter railways operational is very low. Only 6.5% of respondent satisfied with the service and 16.4% respondent is indifferent. From the central tendency finding it can be concluded that respondent is not satisfied with the quality of service. This indicates that the quality of railway service is under passengers’ expectation. The phenomena of 42.1% respondent almost satisfied is influenced by cost item and respondent perspective between performance of the service vs. ticket price. There is a symptom in the community that when they demand better service and improvement the trip price will rise. Therefore, they measure the performance with the trip price. The passenger felt that the service quality that operator gives already suitable with the price they paid.

Result from correlation analysis show that there are four attributes that have strongest relationship with overall satisfaction; equipment and vehicle, safety and security, competency, and travel time and appearance. Other attributes that influence overall satisfaction even though the correlation is low such as frequency, failure recovery, performance vs. price, customer service, service control, ticket price, and service information. The key satisfaction indices for Jabodetabek railway operational are improving quality of equipment and vehicle, safety and security, competency, travel time and vehicle appearance.

2. What does the item of service quality that lead to customer satisfaction?

Based on Parasuraman et al. (1988), there are five dimension of service quality. The five service quality dimensions are reliability, responsiveness, assurance, empathy, and tangible. According to the regression analysis, reliability, tangible, responsiveness, and assurance have positive influences to
customer satisfaction, and empathy has negative influences to customer satisfaction. The result influenced by one of the attributes in empathy which is cost item. The reason many Jabodetabek community using commuter economic train because the trip price is cheaper than other modes even cheaper from commuter express train. Therefore the price increasing can be affected negatively to customer satisfaction.

Overall we can see that service quality items have significant influences individually or collectively to the passengers’ satisfaction of commuter Jabodetabek trains. The first service quality item that highly influences to the satisfaction is assurances. Assurances consist of competency and safety and security. Improvement in safety and security can be in from of quality improvement of human resources, infrastructure, and vehicle performance. Related human resources are operator staff such as driver, traffic staff, securities, etc. Infrastructure related to track condition and signaling system, this also related to traffic control system. Vehicle technology and overall performance improvement also needed to improve operational performance. By improving those items the competency of operator can be improved by itself. The second service quality items that high influences to the satisfaction is tangibles. Tangibles consist of frequency and equipment and vehicles. This item is the root of problem that influences other service quality in low level. According to Edvardsson (1996), physical/ technical resources is a means of creating favorable conditions for increasingly better services and increasingly more profitable business deal. In this case of service, vehicle is the physical resources and without good vehicle performance equipped with good facility on board, operational service will be less. This will lead to bad performance operational and create uncomfortable environment. As stated in Indonesian railway law, railway is united system which consist infrastructure, vehicle, and human resources, also norm, criteria, requirement, and procedure in order to operate railway as transportation mode. When one of the system not fulfill then the whole system cannot work in the right order.

3. How to deliver service quality in railway operations which lead to customer satisfaction from contractual governance point of view?

With service items regulated in contract, the implementation should be met customer expectation. However the existing condition is not as good as expected, operator cannot fulfill the agreement. From the phenomena can be concluded that there are problem inside the implementation of contract. PT. KAI as the operator cannot perform as it is stated in contract. There are factors that influence PT. KAI performance and causing operator cannot fulfill contract clause; the lack of infrastructure, the lack of vehicle, customer misbehavior, staff misbehavior, and unknown factor which need to further observation. In order to deliver service quality which lead to customer satisfaction we need to evaluate the service process. To identifies and determines differences and gap between what is customer expectations and what operator delivers in service delivery process, gap analysis was conducted. From gap analysis we can see there are some gaps in service process. In order to delivering service quality which fulfills customer satisfaction in Jabodetabek commuter railway operational the gap must to be closed. The biggest gap is in stage of operator implementation to service delivery. There are 2 demand in this stage, demand from customer and demand from DGR, and operator need to fulfill the demands. The operator limitation in capability and resources is causing the gap and failure in delivering service.

To close the gap first of all DGR and operator need to know the accurate information about customers’ expectations. When executives with the authority and responsibility for setting priorities do not fully understand customers’ service expectations, they may trigger a chain of bad decisions and suboptimal resource allocations that result in perceptions of poor service quality. Present condition only PT. KAI has direct relationship with customers. In order to close the gap, researcher suggests DGR and PT. KAI acted meeting before performance measurement evaluation is conducted. This meeting aims to discussing and compiling the customer complains. Complains that have already group into service
items than must to be observe and analysis to see the real problems through performance measurement evaluation. The result of the evaluation needs to be discussed together by DGR and operator, and other stakeholder to find the solution. The results of every meeting become material of service quality specification in the next contract. The second step is to improve the physical attributes (vehicle, infrastructure, facilities) conditions. Right now the root problems that causing the failure of delivery problems is the physical attributes of railway operational that causing safety, travel time, and punctuality cannot be fulfilled. This effort needs support from local government and central government which related to funding and technical specification. Without vehicles, infrastructure, and facilities that capable to accommodate the passenger demand, transportation service cannot be acted as expected. The third step is to improve staff competency. The lack of monitoring in service delivering process and lack of training for staff especially operational staff can influences the result of service process. The standard of staff competency especially the operational staffs need to maintain and improve. Railway operational is complicated. They involve the movement of freight, passenger, and mixed between freight and passenger trains from one terminal or yard to another over a division or subdivision of track. The operational must to be taken by professional operator to make sure the system and schedule be in the right order. Therefore the operational staffs should have high standard of competency and professionalism.

Reviewing the implementation of contract in VTAB, the operator has succeed in fulfill the contract agreement. One of the caused is because operator is supported by PTA and local government. The operational also supporting by the availability of good performance vehicle and supported facilities. VTAB conducted performance measurement every 3 months to gain more information and to evaluate operator performance while looking for the root of problems that customer being complained and request. After the process of customer complains analysis and performance measurement, the result will be discussed together with stakeholder board and operator. The purpose of this meeting is to identify the cause of customer complain and find problem solution. The process not stops in that stage. VTAB will monitor the progress of operational after the meeting and see how well operator applies the solution through the next performance measurement. Furthermore, VTAB will monitor if there any customers complain about the same problems. This is a continued process until the service quality fulfills customer expectation. As the performance of the operator increase, the customer satisfaction can be improved. The level of customer satisfaction and market share increasing that comes up from this process will be the success indicator of the service process.

6.2 Further Studies

This customer satisfaction survey of railway operational conducted in this research only conducted in Jabodetabek area. Therefore the result cannot represent customer satisfaction items of railway operational in all area of Indonesia. As suggestion for further studies, the customer satisfaction survey also need to be conducted in other region which has railway system. The research need to be conducted annually because customer satisfaction is always change time to time. The process and analysis of survey also can be acted with other methods so the result will be more accurate. The analysis of contractual governance in railway operational also can be conducted from infrastructure point of view and not only from PTA point of view but also from operator and government. As the relationship inside the contractual government process involve four actors; the government/politician, public transport authority, operator and citizen. The service quality and service process are interesting subjects to be analyze and discuss not only in business but also in transportation area, as the result can give benefit for the management and actors involves inside the process to set effective and efficient improvement in service.
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Per Magnus Bengtsson VD Värmlandstrafik AB, interview on the 20th May 2009.


APPENDIX 1 - CUSTOMER SATISFACTION SURVEY FORM

SURVEY KEPUASAN PENGUNA PADA PELAYANAN KERETA KOMUTER JABODETABEK


Contoh:
Bagaimana menurut anda pelayanan PT. Kereta Api saat ini?
   a. sangat baik  b. Baik  c. Kurang baik  d. Tidak baik

Atau

Bagaimana menurut anda pelayanan PT. Kereta Api saat ini?
   a. sangat baik  b. Baik  c. Kurang baik  d. Tidak baik

Kuisiner

- Umur (tahun) : a. 15-20,  b. 21-25,  c. 26-35,  d. 36-45,  e. 46-60,  f. lebih dari 61
- Apakah anda memiliki SIM? Ya, tipe ........ / Tidak
- Untuk tujuan apa anda menggunakan kereta api komuter (KRL, ekonomi) Jabodetabek?
   a. Kerja  d. Rekreasi
   b. Sekolah  e. Lainnya (Sebutkan):
   c. Belanja

- Apakah anda memiliki kendaraan pribadi?  
  Ya / Tidak
- Apa pekerjaan anda sekarang?
   e. Tidak bekerja

Selanjutnya harap isi pertanyaan berikut berkaitan dengan tingkat kepuasan anda sebagai pelanggan pada layanan kereta api berdasarkan pengalaman anda:

1. Berapa kali dalam seminggu anda menggunakan kereta api komuter (KRL, Kereta Ekonomi) Jabotabek?
   a. >12 kali  b. 12-8 kali  c. <8 kali  d. Tidak pernah

2. Jenis layanan kereta api apa yang sering anda gunakan?
   a. KRL ekspress  b. KRL AC  c. Ekonomi  d. ketiganya  e. Tidak ketiganya
   "Ekonomi"

3. Apakah anda puas dengan kenyamanan, keamanan, kecepatan, dan keselamatan kereta komuter?
4. Apakah anda puas dengan layanan dan fasilitas yang diberikan operator kereta komuter?

5. Apakah anda puas dengan keseluruhan performansi dari operasional kereta komuter?

6. Apakah anda puas dengan operator kereta api saat ini?

7. Apakah anda puas dengan harga tiket perjalanan kereta komuter?

8. Apakah anda puas dengan layanan customer service dari operator?

9. Apakah anda puas dengan informasi layanan kereta yang diberikan operator (pengumuman kedatangan, keberangkatan, produk baru, dll)?

10. Apakah anda puas dengan frekuensi keberangkatan dari kereta komuter?

11. Apakah anda puas dengan fasilitas layanan informasi di stasiun?

12. Apakah anda puas dengan layanan yang anda terima berkaitan dengan harga tiket yang anda bayar?

13. Apakah anda puas dengan tindakan perbaikan dari operator saat anda mengalami masalah dengan layanan kereta komuter?

14. Apakah anda puas dengan waktu perjalanan dan kondisi kereta komuter?

Harap pilih kriteria pelayanan kereta api apa yang sesuai dengan kebutuhan dan keinginan anda (pilihan dapat lebih dari satu dan beri nilai disamping jawaban sesuai prioritas anda dimulai dari angka 1 untuk yang terpenting dan diikuti angka selanjutnya)

a. Frekuensi keberangkatan ( )   f. Kondisi kereta dan fasilitas ( )
b. Jumlah rute ( )   g. Biaya perjalanan ( )
c. Kenyamanan ( )   h. Customer service ( )
d. Keselamatan di kereta ( )   i. Waktu perjalanan ( )
e. Informasi perjalanan & program ( )   j. Keamanan ( )
## APPENDIX II - DESCRIPTIVE STATISTIC (SURVEY RESPONDENT)

<table>
<thead>
<tr>
<th>Origin Base</th>
<th>Freq.</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jakarta</td>
<td>47</td>
<td>22.0</td>
<td>22.0</td>
</tr>
<tr>
<td>Bogor</td>
<td>71</td>
<td>33.2</td>
<td>55.1</td>
</tr>
<tr>
<td>Tangerang</td>
<td>47</td>
<td>22.0</td>
<td>77.1</td>
</tr>
<tr>
<td>Bekasi</td>
<td>23</td>
<td>10.7</td>
<td>87.9</td>
</tr>
<tr>
<td>Depok</td>
<td>26</td>
<td>12.1</td>
<td>100.0</td>
</tr>
<tr>
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<td>214</td>
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<td></td>
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<table>
<thead>
<tr>
<th>Age of Respondent</th>
<th>Freq.</th>
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<th>Cumulative Percent</th>
</tr>
</thead>
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<tr>
<td>15-20</td>
<td>14</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>21-25</td>
<td>33</td>
<td>15.4</td>
<td>22.0</td>
</tr>
<tr>
<td>26-35</td>
<td>101</td>
<td>47.2</td>
<td>69.2</td>
</tr>
<tr>
<td>36-45</td>
<td>49</td>
<td>22.9</td>
<td>92.1</td>
</tr>
<tr>
<td>46-60</td>
<td>15</td>
<td>7.0</td>
<td>99.1</td>
</tr>
<tr>
<td>&gt;61</td>
<td>2</td>
<td>0.9</td>
<td>100.0</td>
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<td>Total</td>
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<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Purpose of Trip</th>
<th>Freq.</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>working</td>
<td>159</td>
<td>74.3</td>
<td>74.3</td>
</tr>
<tr>
<td>school</td>
<td>30</td>
<td>14.0</td>
<td>88.3</td>
</tr>
<tr>
<td>shopping</td>
<td>5</td>
<td>2.3</td>
<td>90.7</td>
</tr>
<tr>
<td>recreation/pleasure</td>
<td>8</td>
<td>3.7</td>
<td>94.4</td>
</tr>
<tr>
<td>other/occasional trip</td>
<td>12</td>
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<td>100.0</td>
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<table>
<thead>
<tr>
<th>Working Field</th>
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<td>93.0</td>
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<tr>
<td>Housewife/entrepreneur</td>
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<td>99.5</td>
</tr>
<tr>
<td>not working</td>
<td>1</td>
<td>0.5</td>
<td>100.0</td>
</tr>
<tr>
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</tbody>
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<table>
<thead>
<tr>
<th>Driving License</th>
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<th>Cumulative Percent</th>
</tr>
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<tr>
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<td>180</td>
<td>84.1</td>
<td>84.1</td>
</tr>
<tr>
<td>no</td>
<td>34</td>
<td>15.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>214</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Freq.</th>
<th>Percent</th>
<th>Cumulative Percent</th>
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<tr>
<td>Male</td>
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<td>56.1</td>
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<tr>
<td>Female</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Trip in 1 week</th>
<th>Freq.</th>
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<th>Cumulative Percent</th>
</tr>
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<td>not more than 8</td>
<td>101</td>
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<td>47.2</td>
</tr>
<tr>
<td>12 - 8</td>
<td>95</td>
<td>44.4</td>
<td>91.6</td>
</tr>
<tr>
<td>more than 12</td>
<td>18</td>
<td>8.4</td>
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</tr>
<tr>
<td>Total</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Services type</th>
<th>Freq.</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>all of them</td>
<td>89</td>
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<td>41.6</td>
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<tr>
<td>Economic</td>
<td>21</td>
<td>9.8</td>
<td>51.4</td>
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<tr>
<td>AC Economic Commuter</td>
<td>62</td>
<td>29.0</td>
<td>80.4</td>
</tr>
<tr>
<td>Express Commuter</td>
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<td>Total</td>
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<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Private vehicle owned</th>
<th>Freq.</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
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<td>75.2</td>
<td>75.2</td>
</tr>
<tr>
<td>No</td>
<td>53</td>
<td>24.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>214</td>
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</tbody>
</table>
APPENDIX III – INDONESIA RAILWAY SERVICE CONTRACT

KONTRAK
PENYELENGGARAAAN KEWAJIBAN PELAYANAN PUBLIK
(PUBLIC SERVICE OBLIGATION/PSO)
BIDANG ANGKUTAN KERETA API PELAYANAN KELAS EKONOMI
TAHUN ANGGARAN 2008

NOMOR :
NOMOR :

KONTRAK ini dibuat dan ditandatangani di _________ pada hari _________ tanggal __ bulan __________ tahun dua ribu delapan (... – .... – 2008)

antara

WENDY ARITENANG

dan

RONNY WAHYUDI

Yang selanjutnya PIHAK PERTAMA dan PIHAK KEDUA disebut PARA PIHAK

MENERANGKAN:

a. PIHAK PERTAMA menugaskan PIHAK KEDUA menyediakan angkutan kereta api pelayanan kelas ekonomi untuk menyelenggarakan kewajiban pelayanan publik Tahun Anggaran 2008.

b. PIHAK KEDUA, memiliki keahlian profesional, personil, dan sumber daya teknis, dan telah menyetujui untuk menyediakan angkutan kereta api kelas ekonomi untuk menyelenggarakan kewajiban pelayanan publik dalam Tahun Anggaran 2008 sesuai dengan persyaratan dan ketentuan dalam Kontrak ini;

c. PIHAK PERTAMA dan PIHAK KEDUA menyatakan memiliki kewenangan untuk menandatangani Kontrak ini, dan yang menandatangani mempunyai kewenangan untuk mengikat pihak yang diwakili;
Dengan mempertimbangkan kesepakatan yang telah disetujui PARA PIHAK, dengan ini PARA PIHAK setuju untuk membuat dan menandatangani Kontrak Penyelenggaraan Kewajiban Pelayanan Publik (Public Service Obligation/PSO) Bidang Angkutan Kereta Api Pelayanan Kelas Ekonomi Tahun Anggaran 2008, dengan ketentuan dan syarat-syarat sebagai berikut:

**Pasal 1**

**DASAR KONTRAK**

Dasar dibuatnya Kontrak ini adalah:

2. Undang-Undang Nomor 19 Tahun 2003 tentang Badan Usaha Milik Negara (Lembaran Negara Republik Indonesia Tahun 2003 Nomor 70, Tambahan Lembaran Negara Republik Indonesia Nomor 4297)

**Pasal 2**

**PENGERTIAN**

Dalam Kontrak ini pengertian dan istilah - istilah yang digunakan mempunyai arti dan penafsiran yang sama bagi PARA PIHAK, sebagai berikut:

1. Biaya pokok penjualan adalah semua biaya penyelenggaraan pelayanan umum bidang angkutan kereta api penumpang kelas ekonomi ditambah keuntungan untuk setiap relasi/trayek.
2. Tarif adalah tarif angkutan kereta api pelayanan kelas ekonomi yang ditetapkan oleh Menteri, yang merupakan harga jasa pada suatu lintas/relasi/trayek tertentu atas pelayanan angkutan yang dinikmati oleh penumpang.

3. Kewajiban pelayanan publik atau public service obligation yang selanjutnya disebut PSO adalah kewajiban Pemerintah untuk memberikan pelayanan angkutan kereta api kelas ekonomi kepada masyarakat dengan tarif yang terjangkau.


5. Penyelenggara Sarana Perkeretaapian adalah PT. Kereta Api (Persero) yang ditugaskan oleh Pemerintah untuk menyelenggarakan PSO.

6. Keadaan kahar adalah kondisi yang terjadi diluar kemampuan PARA PIHAK yang menyebabkan terhambatnya pelaksanaan kewajiban PARA PIHAK yang disebabkan oleh peperangan, kerusuhan, revolusi, bencana alam (banjir, gempa bumi, badai, gunung meletus, tanah longsor, wabah penyakit, dan angin topan), pemogokan, rintang jalan akibat Peristiwa Luar Biasa Hebat (PLH), kebakaran dan gangguan industri lainnya.


**Pasal 3**

**LINGKUP PEKERJAAN**

(1) Lingkup penyelenggaraan PSO adalah angkutan kereta api pelayanan kelas ekonomi dengan lintas pelayanan sebagai berikut:
   a. kereta api antarkota;
   b. kereta api perkotaan.

(2) Jenis kereta untuk penyelenggaraan PSO terdiri atas:
   a. K3/KD3 untuk kereta api antarkota;
   b. KRL/KRD untuk kereta api perkotaan.

(3) Kereta api antarkota sebagaimana dimaksud pada ayat (1) huruf a terdiri dari:
   a. kereta api jarak jauh;
   b. kereta api jarak sedang.

(4) Kereta api perkotaan sebagaimana dimaksud pada ayat (1) huruf b terdiri dari:
   a. kereta api lokal;
   b. kereta api KRL;
   c. kereta api KRD.

(5) Rincian lingkup pekerjaan sebagaimana dimaksud pada ayat (1) sebagaimana tercantum dalam Lampiran 1A s/d 2D Kontrak ini dan merupakan satu kesatuan yang tidak terpisahkan dari Kontrak ini.

**Pasal 4**

**PERSYARATAN DAN FASILITAS PELAYANAN**


(2) Selain persyaratan sebagaimana dimaksud pada ayat (1), sarana perkeretaapian juga harus memenuhi persyaratan sebagai berikut:
a. Laik operasi yang dinyatakan dengan Siap Operasi (SO).
b. Mempunyai jadwal tetap dan teratur, dengan toleransi keterlambatan maksimum sebagai berikut:
   1) kereta api antarkota rata-rata keterlambatan sebesar 15% (lima belas persen) dari waktu tempuh;
   2) kereta api perkotaan rata-rata keterlambatan sebesar 20% (dua puluh persen) dari waktu tempuh.
c. Kapasitas penumpang per kereta untuk:
   1) kereta api antarkota, jumlah tempat duduk maksimum 106;
   2) kereta api perkotaan, maksimum 6 penumpang berdiri per 1 m².
d. Dioperasikan dengan rasio jumlah penumpang dengan kapasitas untuk:
   1) kereta api antarkota (load factor/LF) maksimum 125% (seratus dua puluh lima persen);
   2) kereta api perkotaan (load factor/LF) maksimum 150% (seratus lima puluh persen).
e. Kecepatan rata-rata minimal 40 km/jam untuk kereta api antarkota dan 30 km/jam untuk kereta api perkotaan.
f. Berhenti pada stasiun-stasiun yang ditetapkan.

(3) Kereta api yang dioperasikan harus dilengkapi fasilitas pelayanan yang berfungsi dengan baik sekurang-kurangnya sebagai berikut:

a. Pintu masuk/keluar dan pintu penghubung, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan pintu dan kunci untuk tiap rangkaian kereta api.
b. Jendela, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan jendela untuk tiap rangkaian kereta api.
c. Toilet, berfungsi baik dan berpintu yang dilengkapi dengan kunci dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan toilet dan kunci kecuali untuk kereta api perkotaan untuk tiap rangkaian kereta api.
d. Lampu untuk penerangan, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan lampu penerangan untuk tiap rangkaian kereta api.
e. Kipas Angin dan/atau Exhaust Fan, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan kipas angin dan/atau exhaust fan untuk tiap rangkaian kereta api.
f. Rak Bagasi, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan rak bagasi untuk tiap rangkaian kereta api.
g. Tempat duduk dengan kontruksi tetap dan mempunyai sandaran, berfungsi baik dengan toleransi kerusakan 10% (sepuluh persen) dari jumlah keseluruhan tempat duduk untuk tiap rangkaian kereta api.
h. Alat pemadam api, berfungsi dengan baik dan tidak daluwarsa yang ditempatkan pada:
   1) Untuk kereta api antarkota, alat pemadam api ditempatkan di kabin masinis, kereta makan pembangkit dan kereta pembangkit masing-masing 1 (satu) tabung dengan kapasitas 3 (tiga) kg jenis powder;
   2) Untuk kereta api perkotaan, alat pemadam api minimal 2 (dua) tabung dengan kapasitas 3 (tiga) kg jenis powder.
i. Air bersih untuk toilet harus selalu cukup, kecuali kereta api perkotaan yang tidak dilengkapi toilet;
j. Restorasi kecuali untuk kereta api perkotaan.

(4) Tata cara penilaian persyaratan dan kondisi fasilitas pelayanan sebagaimana dimaksud pada ayat (1), ayat (2), dan ayat (3) tercantum dalam Lampiran 2A s.d 2D Kontrak ini.

(5) Kriteria kerusakan sebagaimana dimaksud pada ayat (3) huruf a sampai dengan h tercantum dalam Lampiran 2D Kontrak ini.
(6) Toleransi kerusakan sebagaimana dimaksud pada ayat (3) tidak boleh terkonsentrasi pada 1 (satu) kereta maksimum 15% (lima belas persen).

(7)

Pasal 5
JANGKA WAKTU

Penyelenggaraan PSO ini berlaku sejak tanggal 1 Januari 2008 sampai dengan tanggal 31 Desember 2008.

Pasal 6
NILAI KONTRAK

(1) Nilai Kontrak Penyelenggaraan PSO yang disepakati PARA PIHAK sebesar Rp.......  
(2) Nilai Kontrak sebagaimana dimaksud pada ayat (1) secara rinci tercantum dalam Lampiran 1A s.d 1F Kontrak ini.

Pasal 7
HAK DAN KEWAJIBAN

(1) PIHAK PERTAMA berhak atas penyelenggaraan PSO dari PIHAK KEDUA berupa laporan triwulan dan laporan tahunan.  
(2) PIHAK PERTAMA berkewajiban untuk:  
   a. Menetapkan Tim Pemantauan, Pengawasan, dan Evaluasi untuk melaksanakan pemantauan, pengawasan, dan evaluasi penyelenggaraan PSO;  
   b. Menetapkan Tim Verifikasi untuk melaksanakan verifikasi administrasi dan lapangan atas penyelenggaraan PSO;  
   c. Meneliti, menganalisa, mengawasi, dan mengevaluasi hasil kerja PIHAK KEDUA;  
   d. Melaksanakan administrasi guna proses pencairan paling lambat 14 (empat belas) hari kerja setelah seluruh persyaratan pembayaran penyelenggaraan PSO terpenuhi dan diterima oleh PIHAK PERTAMA;  
   e. Memberikan sanksi sesuai ketentuan Pasal 12 apabila terjadi penyimpangan terhadap penyelenggaraan PSO;  
   f. Membayar biaya penyelenggaraan PSO.

(3) PIHAK KEDUA berhak menerima pembayaran atas Penyelenggaraan PSO.  
(4) PIHAK KEDUA berkewajiban untuk:  
   a. menjalankan kereta api sesuai frekuensi, tarif, relasi/trayek, dan stamformasi secara berjadwal dan teratur sebagaimana yang dikontrakkan;  
   b. menyampaikan jadual kereta api, frekuensi, tarif, relasi/trayek, dan stamformasi yang akan dijalankan;  
   c. meminta persetujuan kepada PIHAK PERTAMA apabila akan melakukan perubahan terhadap frekuensi, tarif, relasi/trayek, dan stamformasi;  
   d. menjalankan kereta api dengan persyaratan dan fasilitas pelayanan sebagaimana dimaksud dalam Pasal 4;  
   e. menyampaikan laporan triwulanan dan tahunan atas Penyelenggaraan PSO kepada PIHAK PERTAMA;  
   f. melakukan pemisahan pembukuan atas Penyelenggaraan Kewajiban Pelayanan Umum Bidang Angkutan Kereta Api Penumpang Kelas Ekonomi dari PIHAK PERTAMA.
Pasal 8
CARA PEMBAYARAN

(1) Pembayaran atas Penyelenggaraan PSO dilaksanakan dengan ketentuan sebagai berikut:
   a. Pembayaran dilaksanakan dalam 4 (empat) termin, yang pembayaran setiap terminnya berdasarkan atas permohonan/tagihan dari PIHAK KEDUA kepada PIHAK PERTAMA;
   b. PIHAK KEDUA dalam mengajukan permohonan/tagihan pembayaran harus melampirkan laporan triwulanan Penyelenggaraan PSO yang telah diverifikasi dan dievaluasi oleh Tim Verifikasi yang dibuktikan dalam Berita Acara Verifikasi.

(2) Dalam hal permintaan tagihan pembayaran untuk termin terakhir yang pelaksanaannya belum dilakukan verifikasi, maka :
   a. PIHAK KEDUA menyampaikan surat pernyataan kesanggupan menyelesaikan pekerjaan atas Penyelenggaraan PSO pada pertengahan bulan Desember 2008;
   b. PIHAK PERTAMA segera menyampaikan surat pemberitahuan kepada Kuasa Bendahara Umum Negara (BUN) mengenai rencana penempatan cadangan dana subsidi/PSO.

(3) Pelaksanaan pembayaran dilakukan oleh Direktur Jenderal Perbendaharaan Cq. Direktur Pengelolaan Kas Negara setelah menerima Surat Perintah Membayar (SPM) dari PIHAK PERTAMA dan Kuitansi yang telah ditandatangani oleh PIHAK KEDUA dengan melaporkan pembayaran tersebut kepada PIHAK PERTAMA.

(4) BANK INDONESIA mentransfer dana berdasarkan Surat Perintah Pencairan Dana (SP2D) yang diterbitkan oleh Direktur Jenderal Perbendaharaan Cq. Direktur Pengelolaan Kas Negara ke Rekening Giro Bank PIHAK KEDUA Atas Nama PT. Kereta Api (Persero) Nomor Rekening...............pada Bank BNI Cabang Jalan Perintis Kemerdekaan Nomor 3 Bandung.

Pasal 9
VERIFIKASI DAN AUDIT

(1) Berita Acara Verifikasi sebagaimana dimaksud dalam Pasal 8 ayat (1) huruf b hanya bersifat administratif dan tidak membebaskan PIHAK KEDUA untuk diaudit oleh Instansi Pemerintah yang berwenang.

(2) Apabila hasil audit dari Instansi Pemerintah yang berwenang, menyatakan pembayaran penyelenggaraan PSO lebih besar dari yang dilaksanakan oleh PIHAK KEDUA, maka kelebihan pembayaran dimaksud harus disetorkan kembali ke Kas Negara.

(3) Apabila hasil Audit dari Instansi Pemerintah yang berwenang menyatakan pembayaran oleh PIHAK PERTAMA atas penyelenggaraan PSO lebih kecil dari yang dilaksanakan oleh PIHAK KEDUA, maka kekurangan pembayaran dimaksud tidak dapat ditagihkan kepada Negara.

Pasal 10
PELAPORAN

(1) PIHAK KEDUA wajib menyampaikan Laporan Triwulanan Pelaksanaan Penyelenggaraan Kewajiban Pelayanan Publik Bidang Angkutan Kereta Api Penumpang Kelas Ekonomi kepada PIHAK PERTAMA selama berlangsungnya pekerjaan sebagaimana dimaksud dalam Pasal 3.

(2) Laporan Triwulanan sebagaimana dimaksud pada ayat (1) dievaluasi oleh PIHAK PERTAMA dan hasil evaluasi tersebut dijadikan dasar oleh PIHAK PERTAMA untuk mengajukan permintaan pembayaran kepada Direktur Jenderal Perbendaharaan c.q Direktur Pengelolaan Kas Negara dengan tembusan Deputi Kepala Bappenas Bidang Prasarana dan Sarana dan Deputi Bidang Usaha, Logistik, dan Pariwisata Kantor Kementerian Negara BUMN.
(3) PIHAK KEDUA harus menyampaikan laporan tahunan kepada PIHAK PERTAMA selambat-lambatnya bulan Maret tahun berikutnya sebagai realisasi pelaksanaan Penyelenggaraan PSO selama 1 (satu) Tahun Anggaran.

**Pasal 11**

PEMANTAUAN, PENGAWASAN, EVALUASI DAN VERIFIKASI

(1) Dalam rangka menjamin kebenaran Penyelenggaraan PSO, maka PIHAK PERTAMA melakukan pemantauan, pengawasan, evaluasi, dan verifikasi.

(2) Pemantauan, pengawasan, dan evaluasi dilaksanakan setiap saat oleh PIHAK PERTAMA dengan menugaskan kepada Tim Pemantauan, Pengawasan, dan Evaluasi.

(3) Verifikasi dilaksanakan oleh PIHAK PERTAMA dengan menugaskan kepada Tim Verifikasi setiap kali termin pembayaran.

(4) Biaya pelaksanaan verifikasi sebagaimana dimaksud pada ayat (3) dibebankan pada PIHAK KEDUA yang merupakan bagian tidak terpisahkan dari dana Penyelenggaraan PSO.

(5) PARA PIHAK melakukan evaluasi bersama terhadap pelaksanaan Penyelenggaraan PSO selama 1 (satu) tahun, pada akhir penyelesaian Kontrak ini.

**Pasal 12**

PENYIMPANGAN DAN SANKSI

(1) Dalam hal melakukan pemantauan, pengawasan, evaluasi, dan verifikasi, PIHAK PERTAMA menemukan penyimpangan berupa tidak dipenuhinya syarat-syarat yang diperjanjikan, maka penyimpangan tersebut akan dicantumkan dalam Berita Acara.

(2) Penyimpangan sebagaimana dimaksud pada ayat (1) dapat berupa:
   a. tidak dipenuhinya fasilitas pelayanan sebagaimana dimaksud dalam Pasal 4 ayat (3), dan
   b. tidak dipenuhinya frekuensi, tarif, relasi/trayek, dan stamformasi.

(3) Penyimpangan yang dilakukan akan dikenakan sanksi berupa:
   a. denda 1‰ (satu per seribu); dan/atau
   b. pengurangan pembayaran.

(4) Penyimpangan sebagaimana dimaksud pada ayat (2) huruf a dikenakan sanksi berupa denda sebesar 1‰ (satu per seribu) per hari.

(5) Penyimpangan sebagaimana dimaksud pada ayat (4) harus diberitahukan secara tertulis oleh PIHAK PERTAMA kepada PIHAK KEDUA dan apabila tidak dilakukan perbaikan setelah 30 (tiga puluh) hari sejak tanggal surat pemberitahuan diterima PIHAK KEDUA, maka dikenakan denda sebesar 1‰ (satu per seribu) per hari per rangkaian kereta api.

(6) Denda sebesar 1‰ (satu per seribu) per hari per rangkaian kereta api akan berakhir setelah PIHAK KEDUA memberitahukan kepada PIHAK PERTAMA secara tertulis atas perbaikan yang telah dilakukan dan telah diverifikasi oleh PIHAK PERTAMA selambat lambatnya 3 (tiga) hari kerja sejak laporan diterima bahwa perbaikan yang telah dilakukan memenuhi persyaratan fasilitas pelayanan sebagaimana dimaksud dalam Pasal 4 ayat (3).

(7) Penyimpangan yang dilakukan sebagaimana dimaksud pada ayat (2) huruf b dikenakan sanksi berupa pengurangan pembayaran yang nilainya dihitung sesuai dengan penyimpangan yang dilakukan.

(8) Sanksi denda sebesar 1‰ (satu per seribu) per hari per rangkaian kereta api dan pengurangan pembayaran diperhitungkan pada saat pembayaran oleh PIHAK PERTAMA kepada PIHAK KEDUA.

**Pasal 13**

KEADAAN KAHAR (FORCE MAJEURE)

(1) PIHAK KEDUA dibebaskan dari tanggung jawab atas penyelesaian pelaksanaan kewajiban penyelenggaraan PSO yang disebabkan oleh keadaan kahar.
Selambat-lambatnya 7 (tujuh) hari kalender sejak terjadi keadaan kahar, PIHAK KEDUA harus memberitahukan secara tertulis kepada PIHAK PERTAMA disertai dengan keterangan yang sah dari instansi yang berwenang.

Setelah PIHAK PERTAMA menerima pemberitahuan keadaan kahar dari PIHAK KEDUA, segera melakukan penelitian dan evaluasi terhadap pemberitahuan tersebut dan apabila alasan dari PIHAK KEDUA dapat diterima, maka PIHAK KEDUA dibebaskan dari tanggungjawab atas penyelenggaraan PSO.

Adanya keadaan kahar tidak mengurangi kewajiban PIHAK KEDUA dari tanggung jawab untuk menyelenggarakan PSO dan disesuaikan dengan peraturan perundang-undangan yang berlaku.

Dalam hal terjadi keadaan kahar yang permanen, pembayaran atas prestasi pekerjaan kepada PIHAK KEDUA harus didasarkan pada jumlah frekuensi pelayanan KA yang telah dilaksanakan oleh PIHAK KEDUA.

Pasal 14
PAJAK DAN BEA

(1) Biaya Meterai untuk pekerjaan ini menjadi beban dan tanggung jawab PIHAK KEDUA.
(2) Pajak-pajak yang mungkin ada atau timbul setelah dibuat atau ditandatangani Kontrak ini menjadi tanggung jawab PIHAK KEDUA.

Pasal 15
PENYELESAIAN PERSELISIHAN

(1) Apabila terjadi ketidaksesuaian atau perselisihan antara PIHAK PERTAMA dan PIHAK KEDUA terhadap segala hal yang berhubungan dengan pelaksanaan Kontrak ini, maka PARA PIHAK berusaha menyelesaikan ketidaksesuaian atau perselisihan tersebut dengan cara musyawarah.
(2) Apabila PARA PIHAK gagal mencapai penyelesaian secara musyawarah dalam waktu 14 (empat belas) hari kerja dari awal pembahasan, maka PARA PIHAK sepakat menyelesaikan melalui Pengadilan Negeri Jakarta Pusat.

Pasal 16
ADDENDUM

(1) Apabila terjadi perubahan-perubahan dalam pelaksanaan Kontrak ini, akan dilakukan perubahan kontrak dalam bentuk Addendum dan harus dibuat sebelum Kontrak berakhir.
(2) Addendum sebagaimana dimaksud pada ayat (1), hanya dapat dibuat berdasarkan persetujuan PARA PIHAK dan merupakan satu kesatuan yang tidak dapat dipisahkan dari Kontrak ini.

Pasal 17
PENUTUP

(1) Kontrak ini berikut Lampirannya merupakan satu kesatuan yang tidak terpisahkan dari Kontrak ini.
(2) Kontrak ini dibuat dan ditandatangani di atas meterai cukup, pada hari, tanggal, bulan, dan tahun sebagaimana tersebut di atas dalam rangkap 15 (lima belas) yang terdiri atas 5 (lima) rangkap asli dan 10 (sepuluh) rangkap salinannya.
(3) Dengan ditandatangannya Kontrak ini, maka PARA PIHAK menyatakan telah memahami betul ketentuan-ketentuan yang diatur dalam Kontrak ini dan akan melaksanakan sesuai dengan hak dan kewajiban PARA PIHAK.
APPENDIX IV - VTBAB RAILWAY ADMINISTRATION DOCUMENTS

ADMINISTRATIVA FÖRESKRIFTER

TRAFIKUPPHANDLING

TJÄNSTEKONCESSION TÄGTRAFIK

2008 11 07

VÄRMLANDSTRAFIK AB

INNEHÅLLSFÖRTECKNING

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Administrativa Föreskrifter

Dessa Administrativa Föreskrifter (AF) är avsedda att sammanfatta och strukturera förfrågningsunderlaget och de tänkesätt och regler som kommer att tillämpas efter upphandlingen.

A1 Allmän orientering

A1.1 Bakgrund

Värmlandstrafik AB är Länstrafikhuvudman (LTH) för kollektivtrafik på väg och järnväg i Värmland och arbetar även med lösningar för trafik till och från Värmland samt med anropsstyrning och service. Separat skoltrafik ingår också i bolagets verksamhet, som uppdrag för flertalet av länets kommuner. All trafikverksamhet bedrivs med hjälp av upphandlade entreprenörer. Begreppen kund och varumärke definieras i bilaga Kvalitet 2008 11 07

Värmlandstrafik AB:s mål för upphandlingen är att säkerställa en regional tågtrafik av god kvalitet, med hög säkerhet, med kvalitets- och miljöprofil och med ett i alla situationer professionellt och kundorienterat bemötande av våra resenärer.

Samarbetet mellan Värmlandstrafik AB och antagen operatör (innehavare av koncession) skall präglas av aktivt samarbete och gemensamt ansvar.

A1.2 Beställare

Beställare (B) i denna upphandling är:

Värmlandstrafik AB
55 62 06 - 4641
Tallbacksvägen 2
684 30 MUNKFORS
Tel 0563 532 00
Fax 0563 524 82

A1.3 Beställarens ombud

Lars Bull
Adress som ovan (A1.2)
0563 532 01 (direkt)
A1.4 Beställarens kontaktperson

Per-Magnus Bengtsson
Postadress som ovan (A1.2)
0706 25 00 45 (mobil)
per-magnus.bengtsson@varmlandstrafik.se

A1.5 Omfattning


A1.6 Förkortningar och begreppsförklaringar

B Beställare
A Anbudsgivare
O Operatör (innehavare av koncession)
UE Underentreprenör
KPI Konsumentprisindex
AKI Arbetskraftsindex
LTH Länstrafikhuvudman
AF Administrativa Föreskrifter
NKI Nöjd Kund Index
SKI Svensk Kvalitet Index

Kontraktsgenomgång:
Genomgång av underlag för avtal om tjänstekoncession Avsikten med Kontraktsgenomgången är att skapa full klarhet i åtagandet och dess villkor. Avsikten är att tillvarata O:s kompetens i utformning av rutiner och samarbetsformer.

Tågkilometer:
Antal kilometer för den trafik som anges i Trafikeringsplan. Ett sammankopplat tågsätt producerar en tågkilometer per körd kilometer.

Vagnkilometer:
Med vagnkilometer menas summan av antalet kilometer för varje fordon. Ett tågsätt kan producera flera vagnkilometer per kilometer. Ledade fordon som inte på ett enkelt sätt kan kopplas isär räknas som en vagn. Tomkörning ingår ej.

Tidtablellstimmar:
Summan av tiden mellan avgängstid från första hållplats och ankomsttiden till sista hållplatsen för respektive tur i tidtablenn.

Tidtablellskilometer:
Antal kilometer för den trafik som anges i tidtablenn. Tidtablellskilometer för förstärkningstrafik är det antal kilometer som förstärkningstrafiken är tillgänglig för resenären.

Tjänstekoncession:
En överenskommelse av allmännyttig, ekonomisk karaktär, där O ges ansvar för viss verksamhet och rätten till intäkterna eller del av intäkterna, samt där O ikläder sig en tydlig affärsrisk

Frivolym:
Den ökning respektive minskning, inom vilken B kan variera trafikutbudet, i förhållande till trafikeringsplanen, under kontraktstiden.

A2  Upphandlingsregler
A2.1  Upphandlingsform
Tjänstekoncession.

A2.2  Offentlighet och sekretess
B tillämpar offentlighetsprincipen i sin verksamhet. Tillämpat på denna upphandling innebär det att anbudshandlingar betraktas som sekretessbelagda intill dess att kontrakt är tecknat. Från denna tidpunkt är huvudregeln att samtliga anbudshandlingar är offentliga. Sekretess för anbudshandlingar kan emellertid förekomma även efter kontrakts tecknande.

Önskar A att hela anbudet eller del av anbudet skall vara sekretessbelagt även efter tidpunkten för kontrakts tecknande, skall A ange detta liksom skälen i sitt anbud. B kan dock inte garantera sådan sekretess.

A2.3  Upphandlingsförutsättningar
A skall redovisa följande handlingar i samband med inlämnande av anbud:
- Korrekt ifyllt anbudsformulär
- Ekonomibilaga till anbudsformulär
- Skatteverkets blankett 4820 ifylld av A och av Skatteverket, tidigast två månader före anbudsdatum
- Årsredovisning 2007
- Giltigt registreringsbevis, Bolagsverket
- Trafikutövartillstånd och godkännande från Järnvägsstyrelsen, alternativt SJ AB:s medgivande att nytta SJ AB:s tillstånd och godkännande
- Lokal (inom B:s verksamhetsområde) organisation och bemanning för uppdraget
- Intyg om bankgaranti, enligt A3.22
- Kvalitetsredovisning enligt bilaga Kvalitet, daterad 2008 11 07
- Beredskapsplan för allvarligare olyckshändelser

A2.4  Förteckning över förfrågningsunderlag
Administrativa Föreskrifter 2008 11 07
Planeringsunderlag 2008 11 07
Ramavtal 2008 11 07
Nyttjandrättsavtal 2008 11 07
Kvalitet 2008 11 07
Anbudsformulär 2008 11 07

A2.5  Tillhandahållande av förfrågningsunderlag
Förfrågningsunderlag tillhandahåldes av B, tidigast 2008 11 24 och senast 6 dagar efter begäran. En omgång av förfrågningsunderlagen tillhandahållas av B, efter begäran från A.

A2.6  Anbud, form, innehåll och hantering
A2.6.1  ANBUDSTIDENS UTGÅNG
Anbud skall vara Värmlandstrafik AB tillhanda senast 2009 01 30.
A2.6.2 ANBUDETS INNEHÅLL
Anbudet skall vara skrivet på svenska och utformat enligt anbudsformulär. Priser anges i SEK, exklusive mervärdesskatt.

A2.6.3 ANBUDS GILTIGHETSTID
Anbud skall vara giltigt t.o.m 2009 06 30.

A2.6.4 ADRESSERING
Anbud skall överlämnas genom post eller bud i försluten försändelse, märkt ”anbud tjänstekoncession tågtrafik”, adresserat till Värmlandstrafik AB, Tallbacksvägen 2, 684 30 MUNKFORS. Anbud får inte lämnas genom Telefax eller E-post.

A2.6.5 ANBUDSÖPPNING
Anbud kommer att öppnas på Värmlandstrafiks kontor, Lagergrens gata 8, KARLSTAD, 2009 – 02 04 kl 09.00, i närvaro av ombud och kontaktperson, enligt A1.3 och A1.4.

A2.6.6 PRÖVNING AV ANBUDSGIVARE
A kan uteslutas från deltagande om A:

1. Är i konkurs eller likvidation, är under tvångsförvaltning eller är föremål för ackord eller tills vidare har inställt sina betalningar eller är underkastad närlingsförbud
2. Är föremål för ansökan om konkurs, tvångslikvidation, tvångs förvaltning, ackord eller annat liknande förfarande
3. Är dömd för brott avseende yrkesutövningen enligt lagakraftvunnen dom eller
4. Har gjort sig skyldig till allvarligt fel i yrkesutövningen

A intygar genom sitt anbud att förhållande som avses under punkterna 1 – 4 ovan inte föreligger för A.

Anbudsgivare skall vidare:

5. Ha fullgjort sina åligganden avseende socialförsäkringsavgifter eller skatt i det egna landet eller i det land där upphandlingen sker
6. Vara registrerad i det land där A driver verksamhet enligt landets regler om aktiebolags- eller handelsregister eller liknande register
7. Redovisa en soliditet och likviditet som med hänsyn till uppdragets art och omfattning kan anses acceptabel, alternativt garantier för att A senast vid trafikstart kommer att uppnå en sådan nivå

Anbud från A som inte uppfyller kraven kan komma att förkastas.

A2.6.7 VÄRDERINGSGRUNDER VID ANBUDSPRÖVNING
Efter att anbudsgivare ha prövats och godkänts kommer anbuden att värderas med utgångspunkt i lämnat pris enligt anbudsformulär, exklusive beräknade kostnader för infrastrukturavgifter och diesel. Priset viktas till 80 % och kvalitet enligt bilaga Kvalitet 2008 11 07, viktas till 20 %.

Lägsta pris ger 80 poäng. Därefter delas lägsta pris med näst lägsta pris. Det resultat man då får fram tas gånger 80. Därefter delas lägsta pris med tredje lägsta pris, o s v tills samtliga anbudsgivare erhållit sin prispoäng. Innan priset viktas, vägs regleringspriser in i värdering av pris genom simulering av 10 % trafikförändring, för samtliga anbud, och med lika fördelning mellan fordonstyper.

Kvalitetsdelen kommer att baseras på dokumentet Kvalitet 2008 11 07 och de redovisningar A har avgett i denna del. Samma princip för fördelningen av poängen tillämpas, d v s bästa A erhåller 20 poäng och därefter tilldelas poäng proportionellt i förhållande till bästa A.
Högst fem anbudsgivare bland de som erhåller högst poäng kommer var för sig att inbjudas till förhandling om kontrakt. I inbjudan kommer B skriftligen att precisera tidplan för samt vilka punkter förhandlingen omfattar.

Förhandlingsdelen av upphandlingen kommer i huvudsak att inriktas på fastställande av intäktsvolym, klarläggnings av ansvar för fordonskostnader samt nödvändiga klarlägganden i övrigt.


A2.6.8 FRÅGOR UNDER ANBUDSTIDEN

A3 Koncessionsregler

A3.1 Avtalstid
Avtalet omfattar tiden från och med tidtabellsskiftet december 2009 till och med tidtabellsskiftet december 2018.

På begäran av B och efter O godkännande kan avtalet förlängas med ett år i taget, dock högst under två år. B skall senast åtta månader innan avtalstidens utgång skriftligen underrätta O om förlängning önskas. O skall senast 30 dagar efter B avsändande av underrättelsen, skriftligen till B underrätta denne om begärd förlängning inte accepteras. Om sådan underrättelse inte kommit B tillhanda inom angiven tidsfrist skall O anses ha accepterat begärd förlängning.

Avtal är träffat först i och med att B och utsedd O underentecknat beställningsskrivelse eller kontrakt.

Vid avtalstidens utgång kvarstår O:s ansvar enligt kontrakt upprättat med dessa AF som grund, till dess att samtliga O:s åtaganden är uppfyllda.

A3.2 Kontraktshandlingar
1. Trafikavtal 2009 __ __
2. Upphandlingsprotokoll 2009 __ __
3. Operatörens anbud 2009 __ __
4. Administrativa Föreskrifter 2008 11 07
5. Trafikeringsplan 2008 11 07
6. Ramavtal 2008 11 07
7. Nytjanderättsavtal 2008 11 07
8. Kvalitet 2008 11 07

Efter kontraktstecknande, gäller vid motstridiga uppgifter i handlingarna, inbördes rangordning mellan handlingarna, enligt ovan.

A3.3 Omfattning
Uppdraget består av tjänstekoncession, enligt Trafikeringsplan, omfattande tillhandahållande av trafikledning, förare, ombordpersonal, utrustning, ombordförsäljning, marknadsföring, ändamålsenliga
lokaler, fordonssansvar och tekniska lösningar för fordonssuppställning, tankning, rengöring, tillsyn och underhåll enligt förfrågningsunderlaget, samt personalutrymmen. Uppdraget omfattar vidare ansvar enligt tillämplig lagstiftning, gällande föreskrifter och regler enligt avtal träffat med dessa AF som grund. D v s ett totalåtagande för Trafikeringssystemet.

Ovanstående text är att betrakta som en allmän beskrivning av omfattningen.

A3.4 Uppföljning, kvalitetsledning och kvalitetsutveckling


A skall beräkna 2x4 tim information per år från B till O:s personal. Sammankomster planeras och organiseras av O. Nyanställd personal skall instrueras enligt rutiner som fastställs i kontraktsgenomgång mellan B och O.


Rutiner skall beskrivas som processer, vilka utvärderas en gång per år i samband med uppföljningen i maj.

A3.5 Underentreprenörer

Planerat kontinuerligt eller regelbundet användande av UE i uppdraget skall anges i anbud, liksom omfattning och inriktning.

O förbinder sig att vidarebefordra tillämpliga krav enligt dessa AF i sitt kontrakt med UE. UE får inte anlitas utan B:s godkännande. Godkänd UE får inte bytas ut, utan B:s godkännande.

O ansvårar för att UE uppfyller samtliga de krav som ställs på O i uppdraget. Om UE inte uppfyller kraven, svarar O i förhållande till B såsom det vore en brist hos O.

A3.6 Fordon

B tillhandahåller fordon. O ansvårar för att utlånade fordon hålls i skick enligt beskrivning och ansvarsfördelning i bilagor till dessa AF. Rutiner därutöver, mellan B och O, ifråga om fordon, klarläggs,
vid behov, vid kontraktsgenomgång. Bl a skall rutiner för fordonsanvändning och alternativ fordonsanvändning, inom Trafikeringsplanen fastställas.


O ansvar för operativt planeringsarbete, enligt A3.4 inkluderar uppdatering av och kostnader för PIS (Passenger Information System).

A3.7 Klädsel
O är skyldig att upprätthålla enhetlig och vårdad klädsel med namnsskyt hos sin personal, under uppdragets utförande. Regler för ändamålet skall fastställas i samråd med B, i samband med kontraktsgenomgång.

A3.8 Etik
Under kontraktsgenomgång skall B och O gemensamt fastställa etiska regler, som O förbinder sig att tillämpa under uppdragets utförande. Reglerna skall säkerställa ett gott bemötande av samtliga kategorier av resenärer samt ett jämligt och etniskt likabehandlande av såväl resenärer som personal och arbetssökande.

A3.9 Kollektivavtal och lagar
O får inte vidta åtgärd som kan anses åsidosatta kollektivavtal för arbetet eller annars strida mot vad som är allmänt godtaget inom den bransch som uppdraget avser.

O skall följa de lagar och förordningar som gäller för verksamheten och för entreprenadens bedrivande.

A3.10 Ändring av trafik
O förbinder sig att acceptera de förändringar i trafik som B fastställer i årligt beslut. B har att iakta nio månaders varsel till E vid förändrad omfattning, i förhållande till Trafikeringsplanen.

Under avtalstiden äger B rätt att förändra trafikens omfattning i förhållande till Trafikeringsplanen, med iakttagande av varseltider enligt ovan. Förändringar är, mätt i antal tidtabellskilometer, begränsade till högst 10 % från anbud till nytt trafikår, högst 10 % från ett trafikår till ett annat, eller högst 30 % sammanlagt under avtalstiden.

Förändrad trafikomfattning regleras enligt i anbud lämnade priser för trafikförändring . Vid tillkommande eller avgående fordon, regleras O:s ersättning genom förhandlingar mellan B och O.

B äger rätt att initiera förändringar av trafikomfattning, utöver ovan angivna frivolymer, om orsaken ligger utom B:s kontroll. I de fall där orsaker utom B:s kontroll leder till förändringar av trafikomfattning , har O förhandlingsskyldighet.

O skall acceptera kortare varseltider än ovan angivna, under förutsättning att B svarar för O:s merkostnader, till följd av kortare varseltid.

Trafikutbyggnad enligt trafikeringsplan förutsätter fastställd Trafikförsörjningsplan som är i överensstämmelse med trafikeringsplanen för tågtrafik och innehåller nödvändigt ekonomiskt utrymme för verkställighet av utbyggnaden. Sådant beslut fattas av Värmlandstrafiks bolagsstämma och verkställs av Värmlandstrafiks styrelse.
A3.10.1 PLANENLIG FÖRSTÄRKNING
O ansvarar för planenliga förstärkningar, vilka till överenskommen nettokostnad bekostas av B.

A3.10.2 INSTÄLLD TUR
Under kontraktsgenomgång skall B och O gemensamt fastställa rutiner för information till resande och till B, i händelse av inställd tur.

A3.10.3 ERSÄTTNINGSTRAFIK
O ansvarar för och bekostar ersättningstrafik. I de fall ersättningstrafiken är att hänföra till fordonsbrist eller force majeure, bekostas överenskommen nettokostnad för ersättningstrafiken av B. Rutiner för insats av ersättningstrafik skall fastställas i samband med kontraktsgenomgång.

A3.10.4 TILLfällig FÖRSTÄRKNING
O ansvarar för tillfälliga förstärkningar, förrorsakade av olika evenemang. Tillfällig förstärkning av detta slag bekostas till överenskommen nettokostnad av B.

A3.11 Myndighetskrav

O är ansvarig för att av O anställd, inhyrd eller lånad personal följer för verksamheten gällande lag och föreskrifter samt regler enligt avtal, träffat med dessa AF som grund. Vidare är O ansvarig för att anställd, inhyrd eller lånad personal omfattas av fullgott försäkringsskydd. O är vidare ansvarig för att för branschen sedvanligt kollektivavtal tillämpas.

O är ansvarig för att egna och förhyrda lokaler, som används i uppdraget, uppfyller gällande lag och föreskrifter samt omfattas av fullgott försäkringsskydd.

B är ansvarig för att egna och förhyrda, lånade eller leasade fordon som används i uppdraget, omfattas av fullgott försäkringsskydd.

A3.12 Tillhandahållande av handlingar och uppgifter
O förbinder sig att bidra med underlag för den rapportering, som fastställs i samråd mellan B och O, under kontraktsgenomgången. Bland annat omfattar detta att O skall genomföra resvaneundersökningar två gånger per år för att fastställa resande per relation och av- och påstigande per station. Undersökningen skall också på ett statistiskt säkert sätt fastställa olika syften med resor, linjevis.

A3.13 Tillsyn och kontroll
B äger fritt tillträde till av O utnyttjade lokaler och fordon för tillsyn och kontroll. O förbinder sig att medverka i och underlätta sådan tillsyn och kontroll.

A3.14 Kvalitets-, miljöansvariga och brandskyddsansvariga personer
Kvalitets-, miljö- och brandskyddsansvariga personer hos O skall anges i anbud.

A3.15 Ersättning
B ersätter O med avtalat fast arvode med en tolfte rad per månad. Kostnader för infrastrukturavgifter och diesel ingår i det fasta arvodet med en beräknad kostnad som regleras mot O faktiska kostnader efter avdrag för eventuella rabatter. Reglering av infrastrukturavgifter och dieselkostnader mot faktisk kostnad sker en gång per år.

O uppbär utöver det fasta avrovet samtliga intäkter från trafiken. Ersättning för periodkort kan ersättas med avtalad ersättning per resa. Ersättningstvivel för periodkort skall fastställas i förhandlingar enligt A2.6.7 och regleras enligt denna punkt andra stycket.

**A3.16 Betalning**

Betalning av den ersättning som B skall utge, sker mot månadsvis faktura, fr o m december 2009 t o m december 2018, som ställs ut per den första i varje kalendermånad.

Faktura skall ha 30 dagars betalningstid, från ankomstregistrering hos B. Fakturerings- eller expeditionsavgifter, eller motsvarande, ersätts ej av B. Vid försenad betalning gäller Räntelagen.

Rutiner för fakturering utformas gemensamt mellan B och E, i samband med kontrakts genomgång.

**A3.17 Årligt arvode och indexreglering**


**A3.18 Vite**

Om O genom eget beslut ställer in tidtabellsbunden tur med tåg och ej ordnar ersättningstrafik, är O skyldig att erlägga vite till B med 50 000 SEK exkl moms per inställd tur. Om ersättningstrafik avgår senare än 30 minuter i förhållande till korrekt avgångstid, enligt tidtabell, skall turen anses inställd.

Om O underläter att följa fastställda rutiner för information vid inställd tur, är O dessutom skyldig att erlägga vite till B med 30 000 SEK exkl moms, per tillfälle som rutinen ej har följts.

**A3.19 Ändrade kostnader till följd av beslut av Riksdag, regering eller myndighet**

Om kostnaderna för uppdraget förändras, till följd av författningsändring och O inte kan kompensera sig på annat sätt än genom prishöjning, äger O rätt till kompensation för den merkostnad som författningsändringen orsakar i uppdraget.
På motsvarande sätt skall författningsändring som leder till minskade kostnader för O, för uppdraget, och som B inte kan tillgodogöra sig på annat sätt än genom sänkt pris från O, leda till att O:s ersättning för uppdraget reduceras med belopp motsvarande kostnadsminskningen.

Med författningsändring avses ändring av lag, förordning och föreskrift samt motsvarande kommunala beslut. Författningsförändring som beslutats senast vid anbudstidens utgång, berättigar inte till kostnadsreglering.

A3.20 Ansvar


A3.21 Försäkringar


A3.22 Säkerhet och borgen

O skall tillhandahålla säkerhet i form av bankgaranti, för samtliga O:s skyldigheter gentemot B enligt kontrakt och under hela kontraktstiden.

A3.23 Avbeställning

Om O inte uppfyller de krav som gemensamt formulerats med stöd av dessa AF och som i övrigt framgår av kontraktshandlingarna, och O inte vidtar rättelse utan dröjsmål, efter erinran, äger B med 6 månaders uppsägningstid, rätt att säga upp avtalet till upphörande i förtid. O äger inte rätt till någon ersättning med anledning av uppsägningen.

Även i övrigt äger B, istället för att häva entreprenaden enligt A3.23, om förutsättningar för hävning föreligger, som alternativ till hävning, rätt att med 6 månaders uppsägningstid säga upp avtalet till upphörande i förtid.

Om en förvaltningsdomstol genom lagakraftvunnen dom förklarar att upphandlingen av detta kontrakt skall rättas eller göras om, äger B såga upp avtalet med en med hänsyn till domens innehåll, skälig uppsägningstid. Vid sådan förvida uppsägning äger O rätt till ersättning enligt kontraktet för utfört arbete, men inte till något skadestånd till följd av den förvida uppsägningen.

A3.24 Hävning

B äger rätt att häva avtalet i följande fall:
1. Om O inte utför sina åligganden och rättelse ej sker utan dröjsmål efter erinran. Vid upprepad överträdelse av samma åliggande får hävning ske utan att B erinrat, förutsatt att överträdelsen är av väsentlig betydelse för B eller för tredje man
2. Om O försätts i konkurs, trädar i likvidation eller hamnar på sådant obestånd att O inte kan förväntas fullgöra sina åligganden
3. Om O inte fullgör sina åligganden avseende socialförsäkringsavgifter eller skatter i det egna landet eller i det land där upphandlingen skett
4. Om O:s trafikeringsstillstånd upphör att gälla
5. Om O i övrigt gör sig skyldig till väsentligt kontraktsskuld och rättelse inte sker utan dröjsmål efter erinran, eller om O har gjort sig skyldig till osant intygande enligt A2.6.6. Vid upprepad överträdelse av samma slag får hävning ske utan att B erinrat om överträdelsen.

O äger rätt att häva avtalet om ersättning för uppdraget inte erhålls trots att betalningsskyldighet föreligger och B efter skriftlig erinran härom, inte utan dröjsmål vidtagit rättelse. En förutsättning för O:s hävningsrätt är att kontraktsbrottet är väsentligt.

A3.25 Överlåtelse av avtal
O äger inte rätt att utan B:s skriftliga godkännande överlåta avtal som träffats enligt dessa AF, punkt A3.2.

A3.33 Tvist
Tvist med anledning av entreprenad som kontrakterats enligt dessa AF punkt A3.2, skall regleras genom prövning av allmän domstol i Karlstad och med tillämpning av svensk rätt.

A4 Allmänna hjälpmedel
A4.1 Stationer
O förbinder sig att följa de anvisningar för nytjande av stationer, som utfärdas av B.

Anvisningarna tillämpas oavsett B äger anläggningen eller om den ägs av annan.

B skall ge O möjlighet till samråd före fastställande av sådana anvisningar. I samband med kontraktsgenomgång sker sådant samråd.

B äger rätt att vid färdigställande eller ombyggnad av anläggning enligt ovan, efter samråd med O, ändra tidigare utfärtrade anvisningar.

Stationsavgifter betalas av B.

A4.2 Kommunikationssystem
O upprätthåller den kommunikationsutrustning i fordonen som krävs med hänsyn till vid varje tillfalle gällande säkerhetskrav och för att säkerställa löpande händelserapportering till trafiklednings- och trafikupplysningsfunktion hos B.

A4.3 Biljettmaskiner
B tillhandahåller och bekostar biljettmaskiner, kortläsare och betalautomater för fordon, liksom installationer. O ansvarar för drift- och reparationskostnader. O ansvarar för utbildning, löpande information och upprätthållande av funktionalitet.

A4.3.1 STATIONÄR FÖRSÄLJNING OCH KUNDSERVICE
B svarar för stationär försäljning och kundservice. Intäkter från kontantförsäljning av biljetter för tågtrafik, vid fasta försäljningsställen och automater, tillfaller O.

A4.4 Hittegods
O svarar för hittegodsfunktion, rutiner och information till resenärer.
A4.5 Terminaltjänst
O ansvarar för och bekostar all form av terminaltjänst.

A4.6 Tågvärder
O rekryterar och tillhandahåller tågvärder i den omfattning som krävs, men hänsyn till fordonsförteckning, omloppplaner och trafikeringsplan. Tågvärder skall besitta goda kunskaper i svenska och engelska och känna till väsentliga åtaganden gentemot resenär från B och O. Tågvärder skall vid anledning, utfärda Tilläggsavgift enligt B:s tillstånd och gällande rutiner. Dessa rutiner granskas och fastställs i samråd med B, vid kontraktsgenomgång. Intäkt av tilläggsavgift tillfaller O. Rutiner och regler för Tilläggsavgift kan ändras genom B:s försorg och efter samråd med O.

A4.7 Infrastrukturaravgifter
O ansvarar för självdeklaration till Banverket.

A4.8 Underhåll

A4.8.1 KLOTTER OCH VANDALISERING
O ansvarar för åtgärd och kostnad till följd av klotter och vandalisering.

A4.8.2 SKADEANMÄLAN
O ansvarar för skadeanmälan enligt gällande rutiner i Nyttjanderättsavtal 2008 11 07 eller enligt särskild överenskommelse i samband med kontraktsgenomgång.

A4.9 Tankanläggning
O ansvarar för och bekostar erforderliga tankanläggningar för dieselfordon, samt för att anläggningarnas uppfyller vid varje tillfälle gällande miljö- och säkerhetskrav, fastställda av ansvarig tillsynsmyndighet.

A4.10 Trafikantinformationsavtal
Kostnader för trafikantinformation ingår i infrastrukturaravgifterna. O ansvarar för att trafikantinformationsavtal upprätthålls.

A4.11 Resegaranti och reklamationer
B ansvarar för och bekostar resegaranti och reklamationer gentemot resenären samt tillhandahåller löpande rutiner för ändamålet. Reglering av kostnader sker i förhållande till fastställt ansvar, i samband med löpande uppföljning av uppdraget, enligt A3.17 mellan B och O.

A4.12 Vinterberedskap
O ansvarar för och bekostar vinterberedskap.

A4.13 Information i fordon
O ansvarar för att sätta upp och ta bort information, från fordon enligt anvisning från B. Försäljning av reklamplatser i fordonen kräver skriftligt godkännande från B. Hantering av informationsmaterial från B, ingår i O:s åtagande.
A4.14 **Fordonsdatasystem**
O ansvarar för och bekostar nödvändig inrapportering till ändamålsenliga fordonsdatasystem. O ansvarar vidare för att i samråd med underhållsleverantör upprätthålla nödvändiga rutiner för ändamålet.

A4.15 **Fordonsledning**
O ansvarar för, bekostar och upprätthåller fordonsledningsfunktion.

A4.16
O förbinder sig att upprätthålla löpande trafikhändelserapportering till B:s Trafikinformationsfunktion. Rutiner upprättas vid kontraktssamråd.

A4.17 **Alkolås**
B tillhandahåller och bekostar egenkontrollsystem mot alkohol och droger. Rutiner skall redovisas och godkännas av B i samband med kontraktssamråd.

A4.18 **Marknadsföring**
O ansvarar för att det i anbud ingår en summa motsvarande lägst 10 basbelopp för marknadsföring. Marknadsföring skall utföras i samråd med B och inom ramen för B:s grafiska profil. Marknadsföringens syfte skall vara ökat resande.